

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF HEALTH & WELLNESS:  
WESTERN CAPE GOVERNMENT**

BID NUMBER: **WCGHIS002/2023**

CLOSING DATE: **7 AUGUST 2023**

CLOSING TIME: **11:00AM**

**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING, DEPARTMENT OF HEALTH AND WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

**The successful bidder will be required to complete and sign a written contract form (WCBD 7.1**

**BID DOCUMENTS MUST BE DEPOSITED IN THE BID BOX MARKED "DEPARTMENT OF HEALTH" SITUATED AT:**

The foyer of the main entrance  
Western Cape Government Building (**next to Cape High Court**)  
Junction of Dorp and Keerom Streets, Cape Town

1. Please ensure that bids are delivered to the correct address on time. If the bid is late, it will not be accepted for consideration. If you are uncertain about the location of the Department's bid box, please contact the responsible official, Mr Nico Rudolf on 021- 483 9903 or at [Nico.Rudolf@westerncape.gov.za](mailto:Nico.Rudolf@westerncape.gov.za) for assistance. The bid box is generally open from 07:30 – 16:00, 5 days a week, Monday to Friday.
2. Please submit your bid on the official, **not re-typed** forms. Only original, signed documents will be considered. Failure to complete and sign the bidding documents, certificates, questionnaires and specification forms in all respects may invalidate the bid. Each bid must be deposited in a **sealed envelope** with the **name and address of the Bidder, the bid number and closing date**. The envelope shall not contain documents related to any bid other than that indicated on the envelope.
3. **All Bidders must be registered on the Central Supplier Database (CSD) at the time of bid closing.**

Any prospective **unregistered Bidders** must register as a supplier on the CSD prior to bidding and bid closure.

Central Supplier Database	
Self-registration	<a href="http://www.csd.gov.za">www.csd.gov.za</a> (self-registration only)
Contact email	SCM.eProcurementDOH@westerncape.gov.za

4. Bidders already registered on the CSD must have confirmation of their registration AND ensure that their status is up to date prior to bidding by contacting [www.csd.gov.za](http://www.csd.gov.za).
5. The tax Compliance Status (TCS) will be verified on the CSD. Ensure that your TCS is up to date on the CSD at the time of closing, failure to do so will invalidate your bid.

WESTERN CAPE GOVERNMENT: HEALTH  
DIRECTORATE: SUPPLY CHAIN  
(INFRASTRUCTURE SOURCING)  
BID OPENED 11:00

**2023-08-07**

1).....  
SIGNED

2).....  
SIGNED

6. Only the B-BBEE status reflected on form WCBD6.1 in the bid document will apply to the evaluation of the relevant formal bids and not the B-BBEE status on CSD. Bidders are further required to complete the attached WCBD4 form. All other mandatory documents held on CSD will be accepted by Western Cape Government Health (WCGH&W) for the consideration of formal bids.
7. This bid is subject to the General Conditions of Contract (GCC) and, if applicable, any other Special Conditions of Contract. **The 90:10 Preferential Procurement Points System is applicable to this bid.**
8. Please refer all technical enquiries in writing to Mr Cornel Badenhorst at [Cornel.Bardenhorst2@westerncape.gov.za](mailto:Cornel.Bardenhorst2@westerncape.gov.za). No telephonic enquiries will be entertained.
9. The date stamp at the bottom of each page is for **official use only** and not for completion by bidders.
10. Bidders must submit their offers in a D-ring file or appropriate ring binder with file dividers between sections where necessary.

*Adebigue*

**HEAD OF DEPARTMENT**

**DATE:** 7/7/2023

<b>WESTERN CAPE GOVERNMENT: HEALTH</b>	
DIRECTORATE: SUPPLY CHAIN (INFRASTRUCTURE SOURCING)	
BID OPENED 11:00	
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1)..... SIGNED	2)..... SIGNED

**PART A  
INVITATION TO BID**

**ZERO-TOLERANCE TO FRAUD, THEFT AND CORRUPTION (ANTI-FRAUD, THEFT AND CORRUPTION)**

THE WCG IS COMMITTED TO GOVERN ETHICALLY AND TO COMPLY FULLY WITH ANTI-FRAUD, THEFT AND CORRUPTION LAWS AND TO CONTINUOUSLY CONDUCT ITSELF WITH INTEGRITY AND WITH PROPER REGARD FOR ETHICAL PRACTICES.

THE WCG HAS A ZERO TOLERANCE APPROACH TO ACTS OF FRAUD, THEFT AND CORRUPTION BY ITS OFFICIALS AND ANY SERVICE PROVIDER CONDUCTING BUSINESS WITH THE WCG.

THE WCG EXPECTS ALL ITS OFFICIALS AND ANYONE ACTING ON ITS BEHALF TO COMPLY WITH THESE PRINCIPLES TO ACT IN THE BEST INTEREST OF THE WCG AND THE PUBLIC AT ALL TIMES.

THE WCG IS COMMITTED TO PROTECTING PUBLIC REVENUE, EXPENDITURE, ASSETS AND REPUTATION FROM ANY ATTEMPT BY ANY PERSON TO GAIN FINANCIAL OR OTHER BENEFIT IN AN UNLAWFUL, DISHONEST OR UNETHICAL MANNER.

INCIDENTS AND SUSPICIOUS ACTIVITIES WILL BE THOROUGHLY INVESTIGATED AND WHERE CRIMINAL ACTIVITY IS CONFIRMED, RESPONSIBLE PARTIES WILL BE PROSECUTED TO THE FULL EXTENT OF THE LAW.

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (DEPARTMENT OF HEALTH & WELLNESS)**

BID NUMBER:	<b>WCGHIS002/2023</b>	CLOSING DATE:	7 AUGUST 2023	CLOSING TIME:	11:00
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DESCRIPTION	
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**BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)**

The foyer of the main entrance 4 DORP STREET

Western Cape Government Building (**next to Cape High Court**)

Junction of Dorp and Keerom Streets, Cape Town

The foyer of the main entrance

<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>	<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>
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CONTACT PERSON	<b>Mr N Rudolf</b>	CONTACT PERSON	<b>Mr C Badenhorst</b>
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TELEPHONE NUMBER	<b>021-483 9903</b>	TELEPHONE NUMBER	<b>021-830 3752/3753</b>
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FACSIMILE NUMBER		FACSIMILE NUMBER	
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E-MAIL ADDRESS	<b>Nico.Rudolf@westerncape.gov.za</b>	E-MAIL ADDRESS	<b>Cornel.Bardenhorst@westerncape.gov.za</b>
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**SUPPLIER INFORMATION**

NAME OF BIDDER	
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POSTAL ADDRESS	
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STREET ADDRESS	
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TELEPHONE NUMBER	CODE		NUMBER	
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CELLPHONE NUMBER	
------------------	--

FACSIMILE NUMBER	CODE		NUMBER	
------------------	------	--	--------	--

E-MAIL ADDRESS	
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VAT REGISTRATION NUMBER	
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**WESTERN CAPE GOVERNMENT: HEALTH**  
DIRECTORATE: SUPPLY CHAIN  
(INFRASTRUCTURE SOURCING)  
BID OPENED 11:00

**2023-08-07**

1)..... SIGNED	2)..... SIGNED
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**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		AND	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
IF YES, WAS THE CERTIFICATE ISSUED BY A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACREDITATION SYSTEM (SANAS)	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No				
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs&amp; QSEs) MUST BE SUBMITTED TOGETHER WITH A COMPLETED 6.1 IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/ SERVICES/ WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
<p>IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p><b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b></p>					

WESTERN CAPE GOVERNMENT: HEALTH  
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(INFRASTRUCTURE SOURCING)  
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SIGNED

2).....  
SIGNED

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED – (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (WCB7).**

**2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE WITH TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE AND CSD NUMBER AS MENTIONED IN 2.3 ABOVE.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....  
(Proof of authority must be submitted e.g. company resolution)

DATE: .....

<b>WESTERN CAPE GOVERNMENT: HEALTH</b> DIRECTORATE: SUPPLY CHAIN (INFRASTRUCTURE SOURCING) BID OPENED 11:00	
<b>2023-08-07</b>	
1)..... SIGNED	2)..... SIGNED

DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.



## WESTERN CAPE DEPARTMENT OF HEALTH AND WELLNESS

DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING, DEPARTMENT OF HEALTH AND WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.

NAME OF BIDDING COMPANY.....

NAME OF BIDDER / CONTACT PERSON .....

CONTACT NUMBER.....(w).....(cell)

BID NUMBER: WCGHIS002/2023

WESTERN CAPE GOVERNMENT: HEALTH  
DIRECTORATE: SUPPLY CHAIN  
(INFRASTRUCTURE SOURCING)  
BID OPENED 11:00

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1).....  
SIGNED

2).....  
SIGNED

## **IMPORTANT NOTICE COMPULSORY CLARIFICATION MEETING**

ALL BIDDERS ARE REQUIRED TO ATTEND A COMPULSORY BRIEFING SESSION TO ACQUAINT THEMSELVES WITH THE SCOPE OF THE SERVICE TO BE PROVIDED AS DETAILED IN THE BID SPECIFICATIONS.

THE DETAILS OF THE SITE CLARIFICATION ARE AS FOLLOWS:

DATE : 18 JULY 2023

TIME : STRICTLY 10:00 AM

VENUE : **Karl Bremer Hospital Site – Engineering Workshop**

**Cnr Mike Pienaar Blvd & Frans Conradie Drive, Parow**

**Engineering Training Centre**

**CONTACT PERSON: MR HEIN GREBE @ 021-830 3752/3753**

**THE COMPLETION OF THE ATTENDANCE REGISTER WILL CONSTITUTE PROOF OF ATTENDANCE.**

## **NB: FAILURE TO ATTEND THE CLARIFICATION MEETING WILL INVALIDATE YOUR OFFER**



## BID BOX DIRECTIONS

WESTERN CAPE GOVERNMENT: HEALTH  
DIRECTORATE: SUPPLY CHAIN  
(INFRASTRUCTURE SOURCING)  
BID OPENED 11:00

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<b>TERMS OF REFERENCE</b>		<b>Comments/Complies/Does not comply/Yes/No</b>
<b>NOTE</b>	<i>In the column provided for this purpose, please indicate next to each paragraph whether your offer complies with the bid specification by writing "Complies/Does not-comply/Noted" and/or provide comment or make reference to attached documentation, if any, as required. Additional documentation provided by you must clearly show the paragraph in the bid document to which it relates, please. Where applicable, please acknowledge you have read and understood conditions by writing "Yes" or "No" in the next column.</i>	
<b>1.1</b>	<b>SCOPE:</b>  <b>DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING, DEPARTMENT OF HEALTH &amp; WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.</b>	
<b>1.2</b>	<b>REGULATORY REQUIREMENTS</b>	
1.2.1	Completion of Western Cape Bidding Documents.	
	<b>SECTION 2 - THE BID PROCESS</b>	
2.1	Closing date of bid <b>7 AUGUST 2023 @ 11:00am</b> validity of bid 60 from closing <b>6 OCTOBER 2023</b>	
	<b>SECTION 3 - Instructions for completing bid documents</b>	
3.1	Please provide all compulsory documents required in the bid invitation in the full name of the bidder.	
3.2	Please include a letter from the bidding entity authorising the signatory of the WCBD1 bid form to submit this bid on behalf of the bidder.	
3.3	Please complete all the documents and forms provided in this bid document and furnish all the requested information.	
3.4	Please complete the bid response document by stating in the block opposite each subsection whether you will comply or will not comply with the requirements in that subsection.	

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<b>TERMS OF REFERENCE</b>		<b>Comments/Complies/ Does not comply/Yes/No</b>
3.5	A response of "Noted" will be taken to mean "Comply". Please provide an explanatory note in a separate document with a clear reference to the corresponding paragraph number or beneath each point in the bid document. The numbering in the bid document may not be altered.	
3.6	It will be to your disadvantage if the document is not completed in this way and can lead to the exclusion of your offer if the trend persists throughout your document.	
3.7	If you are unable to comply with a particular requirement or specification, please provide a comment/explanation for not complying.	
3.8	If additional supporting documents are provided as part of this bid, please give it a document number that is clearly marked on each page of the document.	
3.9	Please provide an index/summary of all supporting documents with your bid response.	
3.10	The absence of evidence required to prove your compliance with the bid requirements will be taken to indicate that you lack the necessary knowledge or capacity to provide the service.	
3.11	Re-typing, PDF or other digital conversions and/or amendment of the original bid document are not allowed and will invalidate your bid response.	
4.1	<p><b>SECTION 4 - BID CLARITY</b></p> <p>(i) <b>The Department</b> reserves the right to request clarifying information from a bidder.</p> <p>(ii) <b>Bidders or interested parties</b> may contact the Department to request clarity or additional information to assist their compiling of a bid. The Department will respond via electronic mail, which will be provided to all the interested parties. No one interested party will be provided with any information before any other, to promote the principle of unbiased communication with all bidders.</p>	
5.1	<p><b>SECTION 5 - BID AWARDING</b></p> <p>All bids duly lodged shall be taken into consideration and evaluated for compliance, based on the principles set forth in this document.</p>	

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<b>TERMS OF REFERENCE</b>		<b>Comments/Complies/Does not comply/Yes/No</b>	
5.2	Bids that are found compliant in terms of the mandatory and statutory requirements will be evaluated.		
5.3	The bids will be evaluated according to the National Treasury Supply Chain legislation and policies, legislation and policies of the Western Cape Provincial Treasury and the Department's procurement parameters.		
5.4	The Department will establish a bid evaluation committee to evaluate this bid using a pre-defined set of evaluation criteria. This committee will assess the offer using this document as the basis for the evaluation. Please refer to Functionality Criteria.		
	<b>SECTION 6 - EVALUATION PROCESS</b> (i) <b>Phase 1:</b> Compliance with compulsory Central Supplier Database registration and completion of the bid document. All bidders who comply with phase 1 will proceed to <b>phase 2</b> . (ii) <b>Phase 2:</b> Compliance with <b>functionality criteria, as outlined below</b> . All bidders who comply with phase 2 will proceed to phase 3. (iii) <b>Phase 3:</b> Application of <b>points for price and B-BBEE status</b> in accordance with the Preferential Procurement Policy Framework Act 2000 and the Preferential Procurement Regulations 2022, to determine the highest total points scored by a bidder.		
	<b>SECTION 7 – COMPULSORY REQUIREMENTS</b>		
7	The information contained in the table below is mandatory for your submission and will be used in assessing the responsiveness of bidders. Failure to submit and complete all mandatory information will result in submissions being deemed null and void and shall be considered "non-responsive" and therefore not considered.		
7.1	<b>Form WCBD1</b> – Full particulars of the bidding entity	Yes	No
7.2	<b>Form WCBD3.1</b> – Price Schedule	Yes	No
7.3	<b>Form WCBD4</b> – Declaration of Interest	Yes	No
7.4	<b>Form WCBD6.1</b> – Serves for claiming preference points, to claim points for Broad-Based Black Economic Empowerment level of contribution	Yes	No
7.5	Provide proof of CSD registration document	Yes	No

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TERMS OF REFERENCE		Comments/Complies/ Does not comply/Yes/No	
7.6	B-BBEE Verification Certificate issued by a verification agency accredited by the South African National Accreditation System (SANAS) (certificates/scorecards and EME/QSE affidavits) of main contractor, or an affidavit confirming annual total revenue and level of black ownership, or Registered Auditors approved by IRBA. Where a joint venture or subcontractors are involved, this documentation must be provided by each legal entity.	Yes	No
7.7	Twenty million Rand (R20 million) Public Liability Insurance from an Accredited Insurer.	Yes	No
7.8	Comprehensive company profile.	Yes	No
7.9	CVs of staff who will carry out the service as outlined in the technical specification.	Yes	No
7.10	The Bidder must be able to demonstrate that they can operate boilers to supply the amount of steam to various facilities as listed in the bid document. Bidder also to have a locally based office within the Western Cape.	Yes	No
7.11	The Bidder must provide a list of previous and current contracts where they provide a similar service to other clients with contactable references.	Yes	No
	<b>SECTION 8 – PRICING AND PAYMENT</b>		
8.1	The bidder must quote in accordance with the items included in the Price Schedule in the WCBD3.1 section of this document		
8.2	In the interest of security and expeditious payment, it is the policy of the Department to effect payments by <b>electronic funds transfer (EFT)</b> into a supplier's South African bank account as far as possible. If a successful bidder is not yet a regular participant in Departmental contracts and has not been CSD registered already, the service-provider will be required to furnish the Department with its banking details to effect payment in line with the systems in operation ( <b>Logis, BAS, Syspro</b> ) to be registered. Successful bidders must ensure, therefore, that their banking details are provided to institutions on request where necessary.		
8.3	On receipt of the invoice by the Department in accordance with the agreed procedure, the relevant officials will verify its correctness. If the invoice is correct, the amount due will be payable within thirty <b>(30) calendar days from date of receipt of invoice</b> , subject to any penalty deductions by the Department. If the Department identifies any discrepancies, or if penalties are not reflected correctly or at all, the invoice will be returned to the supplier and the amount due will be payable within thirty (30) calendar days from receipt of the corrected invoice. If a service-provider disputes a penalty amount,		

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<b>TERMS OF REFERENCE</b>		<b>Comments/Complies/Does not comply/Yes/No</b>
	the Department will have the right to set-off the penalty amount against any amount/invoice payable to the supplier.	
9.1	<b>SECTION 9 - NEGOTIATIONS</b> The Department reserves the right to enter into negotiations with bidders (before the contract is concluded) if the bid prices are not deemed to be market-related.	
10.1	<b>SECTION 10 - PERFORMANCE MONITORING</b>  Constant performance monitoring will be conducted to ensure that the contractor meets their contractual obligations and that contracts run with as little disruption as possible. Regular meetings with the contractor will be performed to discuss contract issues.	
11.1	<b>SECTION 11 – GENERAL</b>  Receipt of the invitation to bid does not confer any right on any party in respect of the services or in respect of, or against, the Department. The Department reserves the right, in its sole discretion: (i) To amend the bid process, closing date or any other date at its sole discretion; (ii) To cancel the bid or any part of the bid before the bid has been awarded; (iii) Not to accept the lowest or any other bid and to accept the bid which it deems shall be in the best interest of the Department; (iv) Not to award the bid to the highest points scorer or lowest price; (v) To reject all responses submitted and to embark on a new bid process; (vi) To withdraw any services from the bid process; (vii) To terminate any party's participation in the bid process; (viii) To accept or reject any response to this invitation to bid on notice to the bidders without liability to any party; (ix) To extend or expand the contract on written request from the Department.	
11.2	Accordingly, parties have no rights, expressed or implied, with respect to any of the services as a result of their participation in the bid process.	

SPECIAL CONDITIONS OF BID	
These Special Conditions of Contract are applicable to this bid by the Western Cape Government: Department of Health & Wellness ("the Department"). Should there be a conflict between the provisions of these Special Conditions of Contract and those of the General Conditions of Contract, the provisions of these Special Conditions of Contract shall prevail.	
<b>1. APPLICATION</b>	<p>1.1 These Special Conditions of Contract ("SCC") are applicable to this bid invited and to be awarded by the Department.</p> <p>1.2 By submitting a bid in response to the bid invitation from the Department, a bidder accepts and agrees to these SCC, as well as the provisions of the General Conditions of Contract for Government Procurement as issued by National Treasury ("GCC"), unless specified otherwise in writing.</p>
<b>2. SPECIFIC EXCLUSIONS</b>	<p>The following clauses of the GCC are specifically excluded and shall not form part of the contract to be awarded and concluded with the Department:</p> <p>2.1 Subcontracts – clause 20;  2.2 Penalties – clause 22;  2.3 Force Majeure – clause 25;  2.4 Settlement of Disputes – clause 27; and  2.5 Limitation of liability – clause 28.</p>
<b>3. REPLACEMENT CLAUSES</b>	<p>3.1 <i>Clause 20 of the GCC is substituted with the following:</i></p> <p><b>Subcontracts</b></p> <p>3.1.1 Notwithstanding any provision to the contrary contained in the bid documents, the primary responsibility for rendering the services rests with the successful bidder and it may not subcontract, assign, cede, delegate or transfer, in whole or in part, any of its obligations to render the service to any other person, without the prior written consent of the Department.</p> <p>3.2 <i>Clauses 22 and 28 of the GCC are substituted with the following:</i></p> <p><b>Penalties and Damages</b></p> <p>3.2.1 The Department may, in respect of every breach, impose penalties in terms of clause 22 of the GCC (or such other penalties as may be agreed upon), or claim damages <i>in lieu</i> of a penalty.</p> <p>3.2.2 The Department's decision to impose a penalty, or claim damages <i>in lieu</i> of a penalty, shall not prevent it from exercising</p>



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	any other rights it may have in law, including, but not limited to, the right to claim specific performance.
	<p>3.2.3 In the event of cancellation of the contract due to breach, the non-defaulting Party shall be entitled to recover all damages</p> <p>which may be suffered as a result of such breach, or from any liability which the non-defaulting Party may directly or indirectly incur as a result of such breach.</p>
	3.2.4 The successful bidder shall indemnify the Department against any and all claims which may be made against the Department, or any losses the Department may incur, for any claim that may arise as a result of injury or damage suffered by any person, arising out of, or as a consequence of the execution of the contract and/or the rendering of the services in terms of this bid.
	3.2.5 Clause 3.2.4 shall survive the termination of the contract.
	3.3 <i>Clause 27 of the GCC is substituted with the following:</i>
	<b>Settlement of Disputes</b>
	<p>3.3.1 Without detracting from a Party's right to institute action or motion proceedings in the High Court or other Court of competent jurisdiction in respect of any dispute that may arise out of or in connection with this agreement, the Parties may, by mutual consent, follow the mediation and/or arbitration procedure as set out in clauses 3.3.3 and 3.3.4 below.</p> <p>3.3.2 All disputes shall be exclusively dealt with and settled in terms of South African law and in South Africa.</p> <p>3.3.3 Mediation –</p> <p>3.3.3.1 Subject to the provisions of clause 3.3.1, any dispute arising out of or in connection with this Agreement may be referred by the Parties without legal representation to a mediator.</p> <p>3.3.3.2 The dispute shall be heard by the mediator at a place and time to determined by him or her in consultation with the Parties.</p> <p>3.3.3.3 The mediator shall be selected by agreement between the Parties.</p> <p>3.3.3.4 If an agreement cannot be reached upon a particular mediator within 3 (three) Business Days after the Parties have agreed to refer the matter to mediation, then the President of the Legal Practice Council shall nominate the mediator within 7 (seven) Business Days after the Parties have failed to agree.</p>

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	<p>3.3.3.5 The mediator shall at his or her sole discretion determine whether the reference to him or her shall be made in the form of written or verbal representations, provided that in making this determination he or she shall consult with the Parties and may be guided by their common reasonable desire of the form in which the said representations are to be made.</p> <p>3.3.3.6 The opinion so expressed by the mediator shall be final and binding upon the Parties unless a Party is unwilling to accept the opinion expressed by the Mediator. In such event, the aggrieved Party may institute legal proceedings in a court of competent jurisdiction, unless the Parties agree to refer the dispute to arbitration in accordance with clause 3.3.4. The expressed opinion of the mediator shall not prejudice the rights of either Party in any manner whatsoever in the event of legal proceedings or arbitration, as the case may be.</p> <p>3.3.3.7 The cost of mediation shall be determined by the mediator.</p> <p>3.3.3.8 Liability for such cost shall be apportioned by the mediator and shall be due and payable to the Mediator on presentation of his or her written account.</p> <p>3.3.4 Arbitration –</p> <p>3.3.4.1 Subject to the provisions of clause 3.3.1, the Parties may agree to refer any dispute arising out of or in connection with this Agreement, to arbitration.</p> <p>3.3.4.2 Arbitration shall be held in Cape Town informally and otherwise in accordance with the provisions of the Arbitration Act 42 of 1965, it being intended that, if possible, it shall be held and concluded within 10 (ten) Business Days.</p> <p>3.3.4.3 Save as otherwise specifically provided herein, the arbitrator shall be if the matter in dispute is–</p> <p>3.3.4.3.1 primarily a legal matter, a practising Senior Advocate of the Cape Bar;</p> <p>3.3.4.3.2 any other matter, an independent and suitably qualified person as may be agreed upon between the Parties to the dispute.</p> <p>3.3.4.4 If agreement cannot be reached on whether the question in dispute falls under 3.3.4.3.1 or 3.3.4.3.2 and/or upon a particular arbitrator within 3 (three) Business Days after the Parties have agreed to refer the dispute to arbitration, then the Chairperson for the time being of the Cape Bar Council shall –</p> <p>3.3.4.4.1 determine whether the question in dispute falls under 3.3.4.3.1 or 3.3.4.3.2; and</p> <p>3.3.4.4.2 nominate the arbitrator within 7 (seven) Business Days after the Parties have failed to agree.</p> <p>3.3.4.5 The arbitrator shall give his or her decision within 5 (five) Business Days after the completion of the arbitration. The</p>
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	<p>arbitrator may determine that the costs of the arbitration are to be paid either by one or the other or by both of the Parties.</p> <p>3.3.4.6 The decision of the arbitrator shall be final and binding and may be made an order of the Western Cape High Court, Cape Town, upon the application by any Party to the arbitration.</p>
	3.4 <i>Clause 25 of the GCC is substituted with the following:</i>
	<b>Force Majeure</b>
	<p>3.4.1 The successful bidder accepts and understands that the nature of the services requires it to perform in terms thereof and accordingly the successful bidder shall not be excused from the performance of its obligations and needs to ensure that it has procedures in place to ensure that it renders the services as and when required by the Department.</p>
	<p>3.4.2 Neither of the Parties shall be liable for a failure to perform any of its obligations insofar as it proves –</p> <p>3.4.2.1 that the failure was due to an impediment beyond its control;</p> <p>3.4.2.2 that it could not reasonably be expected to have taken the impediment and its effects upon the Party's ability to perform into account at the time of the conclusion of this Agreement; and</p> <p>3.4.2.3 that it could not reasonably have avoided or overcome the impediment or its effects.</p> <p>3.4.3 An impediment, as aforesaid, may result from events such as the following (this list is not exhaustive) –</p> <p>3.4.3.1 war, whether declared or not, civil war, civil violence, riots and revolutions, acts of sabotage;</p> <p>3.4.3.2 natural disasters such as violent storms, cyclones, earthquakes, tidal waves, floods, destruction by lightning;</p> <p>3.4.3.3 explosions, fires, destruction of machines, of factories and of any kind of installations;</p> <p>3.4.3.4 acts of authority, whether lawful or unlawful, apart from acts from which the party seeking relief has assumed the risk by virtue of any other provisions of this Agreement.</p> <p>3.4.4 Relief from liability for non-performance by reason of the provisions of this clause shall commence on the date upon which the</p> <p>3.4.5 Party seeking relief gives notice of the impediment relied upon and shall terminate upon the date upon which such impediment ceases to exist; provided that if such impediment continues for a period of more than 60 (sixty) Business Days, any</p>

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		of the Parties shall be entitled to terminate this Agreement on 30 (thirty) Business Days written notice.
<b>4. CONTRACT PERIOD</b>	4.1	The contract will be awarded for a three (3) year period.
<b>5. PAYMENT</b>	5.1	The Department will pay the successful bidder for the services rendered or goods provided.
	5.2	Notwithstanding the Department's right to impose penalties, the Department may also withhold payment in respect of services not rendered or goods not supplied in accordance with the contract with the successful bidder.
<b>6. WAIVER</b>	6.1	No waiver of any of the terms and conditions of the contract shall be binding unless expressed in writing and signed by the party giving the same, and any such waiver shall be granted only in the specific instance and for the purpose given.
	6.2	No failure or delay on the part of either party in exercising any right, power or privilege precludes any other or further exercising thereof or the exercising of any other right, power or privilege.
	6.3	No indulgence, leniency or extension of time which any party ("the Grantor") may grant or show the other party, shall in any way prejudice the Grantor or preclude the Grantor from exercising any of its rights in terms of the contract.
<b>7. BREACH</b>	7.1	Should a party breach any or all of the terms and conditions of the contract and remain in such breach for 14 (fourteen) calendar days after receipt of a written notice calling upon it to remedy such breach, then the party who served such notice shall be entitled, in addition to any remedy which it may have in law, to cancel the contract, to remedy the breach itself, claim specific performance and/or to claim damages.
	7.2	Notwithstanding the conditions of paragraph 7.1 above, the Department reserves the right to extend to the successful bidder the opportunity to rectify shortcomings in the successful bidder's service.
	7.3	In the case where the successful bidder remains in breach despite the notice as contemplated in paragraph 7.1, the Department may impose penalties as contemplated by paragraph 7.2 above or claim damages in lieu of penalties.
	7.4	Notwithstanding the provisions contained in paragraphs 7.1 to 7.3 above, the Department may elect to appoint a third party without notice to render the services at the successful bidder's expense as an interim measure, if the Service Provider fails to render the services for a period of more than 7 (seven) calendar days.

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<b>8. CONFIDENTIALITY AND DISCLOSURE</b>	8.1 The successful bidder must treat all information and records furnished to it by the Department, or arising from the execution of the contract, as confidential. The successful bidder will not disclose this information to a third party without the Department's prior written consent.
	8.2 The Department may only disclose records of the bidder, including the bidder's bid response, to a third party in accordance with the provisions of the Promotion of Access to Information Act 2 of 2000.
	8.3 The successful will not, without the prior written consent of the Department, cause any public statement to be made relating to the contract with the Department.
	8.4 This clause and its sub-clauses will survive termination of the contract between the parties unless otherwise agreed in writing.
<b>9. INDEMNITY</b>	9.1 The successful bidder hereby indemnifies the Department against any and all claims which may be made against the Department, or any losses the Department may incur, for any claim that may arise as a result of injury or damage suffered by any person, arising out of, or as a consequence of the execution of the contract and/or the rendering of the Services.
	9.2 Clause 9.1 shall survive the termination of the contract.
<b>10. COMPLIANCE WITH OCCUPATIONAL HEALTH &amp; SAFETY ACT</b>	10.1 The Department and the successful bidder hereby agree, in terms of the provisions of Section 37(2) of the Occupational Health and Safety Act, 1993 (Act 85 of 1993, hereinafter referred to as "the Act"), that the following arrangements and procedures shall apply between them to ensure compliance by the Successful bidder with the provisions of the Act, namely:
	10.2 The successful bidder undertakes that the appropriate officials and employees of the Successful bidder will fully acquaint themselves with all relevant provisions of the Act and the Regulations promulgated in terms of the Act;
	10.3 The successful bidder undertakes that all relevant duties, obligations and prohibitions imposed in terms of the Act and Regulations will be fully complied with;
	10.4 The successful bidder hereby accepts sole liability for such due compliance with the relevant duties, obligations and prohibitions imposed by the Act and Regulations, and expressly absolves The Department from itself being obliged to comply with any of the aforesaid duties, obligations and prohibitions.
	10.5 The successful bidder agrees that any duly authorised official or appointed agent of The Department shall be entitled (though not obliged) to take such steps as may be necessary to ensure that the successful bidder has complied with his undertakings as set out more fully in the paragraphs above,

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	which steps may include, but will not be limited to, the right to inspect any appropriate site or Premises occupied by the successful bidder, or to inspect any appropriate records held by the successful bidder;
10.6	The successful bidder shall be obliged to report forthwith to The Engineer any investigation, complaint or criminal charge which may arise as a consequence of the provisions of the Act and Regulations, pursuant to work performed in terms of this contract, and shall, on written demand, provide full details in writing of such investigation, complaint or criminal charge;
10.7	All services, inspections, maintenance work and testing will be carried out in a legal, safe and responsible manner as contained in your Health and Safety File.
<b>11. ENTRY TO THE PREMISES</b>	
11.1	The successful bidder shall be subject to Department security regulations or arrangements in force and acknowledges that it will be obliged at all times to obtain security clearance to enter & work on the premises.
11.2	The successful bidder shall only use that part of the Premises necessary to carry out its duties. The successful bidder is not permitted to have access to any other part of the premises unless specifically authorised in writing and in advance by the contract manager.
11.3	The successful bidder and their staff are to be presentably dressed and prominently displaying their Company's logo whilst on site. Should there be protest/unrest at any facility, the successful bidder needs to contact the facility manager/Department representative to assist with access to the premises. This means that contact details need to be readily available for communication purposes. They may also ask onsite security to assist or alternatively make use of any other access point e.g. road to the facility.
<b>12. VEHICLES ON THE PREMISES</b>	
12.1	The successful bidder agrees that it's vehicles will be driven, parked and otherwise dealt with on the premises at the owner's or user's own risk and subject to rules or regulations in force at any given time.
<b>13. CONTRACTORS EQUIPMENT AND MATERIALS</b>	
13.1	The successful bidder shall be solely responsible for ensuring the security and safety of its own personal property, including all equipment and material brought onto the premises for use by the successful bidder, and the Department shall not be responsible for loss or damage thereto, howsoever caused.
<b>14. ACCIDENTS</b>	
14.1	The successful bidder, whether involving persons or property, shall report every accident on the premises, immediately to the Department's Engineering representative, including accidents, which did not, but could have led to personnel injury or loss of limb or damage to property. Reportable incidents shall be dealt with as prescribed in the Act. If the



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		person is not directly employed by the successful bidder, the accident shall in addition, be reported by the successful bidder, to the injured person's employer. Any accidents involving loss of limb are to be reported directly to the Department of Labour and copied to the Department's Engineering representative immediately.
<b>15. FIRE PRECAUTIONS</b>	15.1	The successful bidder shall ensure that all persons engaged by it to work on the premises are aware of and familiar with the protection procedures and systems in operation on the Premises.
<b>16. STANDARD OF MATERIALS AND REPORTS</b>	16.1	All materials and equipment supplied and/or installed under this contract shall be new and the best of their respective kinds and shall comply with the requirements laid down in the latest editions of the relevant SABS or ISO and IEC codes and their amendments and with the requirements of this agreement.
	16.2	All reports provided by the successful bidder as required by the Department under the contract shall be in line with all applicable SABS codes.
<b>17. WARRANTY</b>	17.1	Any equipment supplied shall be in line with the manufacturer standard warranty.
<b>18. QUANTITY</b>	18.1	All quantities included in the price schedule are estimates only and subject to change.
<b>19. SERVICE LEVEL AGREEMENT</b>	19.1	The successful bidder will enter into a service level agreement with the Department before the contract commences.

## TECHNICAL SPECIFICATION

### ABBREVIATIONS AND ACRONYMS

LV – Low Voltage

MV – Medium Voltage

CT – Current Transformer

kWh – kilo Watt hour (apparent power)

kVAh – kilo volt ampere hour (apparent reactive power)

IOT – Internet of Things

EPC – Energy Performance Certificate

### 1. BACKGROUND

This contract is for a period of Three (03) years from the date of the letter of acceptance.

- 1.1** The Department of Health & Wellness reserves the option to extend the contract by mutual agreement with the contractor for a further period of twenty-four (24) months.

**WESTERN CAPE GOVERNMENT: HEALTH**  
DIRECTORATE: SUPPLY CHAIN  
(INFRASTRUCTURE SOURCING)  
BID OPENED 11:00

**2023-08-07**

1)..... 2).....  
SIGNED SIGNED

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- 1.2** No more than one extension beyond the initial contract will be permitted, if at all.
- 1.3** The Department of Health & Wellness reserves the option to cancel any of the three contracts by mutual agreement with the contractor. This might be the case with Western Cape College of Nursing if it falls under a different Department in the future,
- 1.4** This specification lists services to be provided by a contractor who will be required to take over provision of the service.

## **2. SCOPE OF WORK**

- 2.1** The scope of work is summarised as follows:

### **Steam:**

- 2.1.1 Pressure, quality, quantity and availability as per the specification.
  - 2.1.2 The following supplies and services will be the contractors responsibility:
  - 2.1.3 The supply of all fuels and oils.
  - 2.1.4 Coal for the Coal Fired Boilers at both sites.
  - 2.1.5 HFO for the HFO Fired Boilers at Tygerberg and Western Cape College of Nursing.
  - 2.1.6 LPG gas for igniting the HFO Fired Boilers.
  - 2.1.7 All lubricating oils.
  - 2.1.8 All lubricating greases.
- 2.2** The payment for all relevant utility services used such as;
- 2.2.1 Electricity.
  - 2.2.2 Telephone.
  - 2.2.3 Domestic water.
  - 2.2.4 Removal of Ash.
  - 2.2.5 Salt for the water softener.
  - 2.2.6 Boiler water treatment chemicals.
  - 2.2.7 Upkeep and cleaning of boiler houses and surrounding areas

## **3. Management of the Boiler Houses**

- 3.1** The operation of the boiler houses, boilers and associated appurtenances which will include, *inter alia*, the following:
- 3.1.1 Operating the boilers and associated machinery and equipment to ensure a continuous and uninterrupted supply of steam at the specified quality and pressure at the following sites:
  - 3.1.2 Tygerberg Hospital and Western Cape College of Nursing where steam service is required on a 24/7 basis throughout the year and
  - 3.1.3 Lentegeur Laundry where steam service is required on all normal working days AND on other days that the laundry is working overtime to clear backlogs. Currently these boilers are banked overnight and the fire is run off on Friday afternoons.
  - 3.1.4 Operating the boilers and other equipment in an environmentally sound manner.
  - 3.1.5 Cleaning, washing down and generally keeping the boiler house and equipment in satisfactory operational condition.

- 3.1.6 General Building Maintenance like replacing broken light bulbs, broken window panes, plumbing services, painting of floors, high pressure cleaning of the buildings, security of the buildings etc.
- 3.1.7 Greasing and oiling.
- 3.1.8 Adjustments
- 3.1.9 Fuel handling, procurement, supply, delivery, settlement of invoices with suppliers (payment of suppliers), storage, stockpiling and all activities required to ensure that the boilers can raise adequate steam at all times.

**3.2 Making good of damage.**

- 3.2.1 Any damage caused by negligence, neglect, malicious damage to property or other failure brought about by inappropriate activities by the contractor will be made good at the contractor's expense.

**3.3 The annual calibration of all meters at the various facilities.**

**3.3.1 The calibration of meters at Lentegeur Boiler House. Allow for meters to be calibrated annually.**

- 3.3.2 Feed-water Meters
- 3.3.3 The calibration of two (2) off, water flow meters on the feedwater pipe supplying the west-most boiler and
- 3.3.4 The calibration of two (2) off, water flow meters on the feedwater pipe supplying the centre-most boiler.
- 3.3.5 Replace existing and install new make-up water meter

**3.4 Calibration of Electricity meters.**

- 3.4.1 The calibration of the following meters:
- 3.4.2 An energy (kWh) meter for all the electricity used in the boiler houses and
- 3.4.3 A maximum demand meter (kVA) for recording the maximum demand of the boiler houses.

**3.5 The calibration of meters at Tygerberg Hospital Boiler House. Allow for meters to be calibrated annually.**

- 3.5.1 **Boiler Feedwater Meters. NB:** All meters needs to be calibrated by an approved calibration authority and at least one mechanical meter on every in-date boiler at Tygerberg intended for raising steam. The meters currently fitted to the Tygerberg boilers are listed below.

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3.5.2 HFO Fired boiler meters:

<b>HFO fired boiler no4</b>
Lower meter
Upper meter

<b>HFO Fired Boiler No. 5</b>
Lower meter
Upper meter

3.5.3 Coal Fired boiler meters:

<b>Coal fired boiler no1</b>
Lower mechanical meter
Upper mechanical meter

<b>Coal fired boiler no 2</b>
Lower mechanical meter
Upper mechanical meter

<b>Coal fired boiler no 3</b>
Lower mechanical meter
Upper mechanical meter

**3.6** This contract INCLUDES *inter alia* the following scope of work to be **financed by** (unless otherwise expressly indicated to the contrary) and to be done by the successful bidder otherwise called the contractor:-

3.6.1 Maintenance and repair work to be done and financed by the contractor: -

3.6.2 Statutory Inspections: Please **note well** that at least 2 (Two) boilers at Tygerberg Hospital and 1 (one) boiler at Lentegeur Hospital will need to undergo preparation for inspection and statutory inspections before the end of 2023 as stated in the Table below. This maintenance and repair work and preparations for statutory inspections and the inspections themselves need to be financed from or amortised over the invoiced steam

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deliveries during the entire contract period. Therefore, the bidder needs to **take careful note of this cash flow matter**, as well as the fact that boilers that are down for inspection can influence the contractor's ability to raise sufficient steam at the time. The Department of Health & Wellness will not entertain any application for a premium rate for steam raised from HFO (instead of coal) **at any time**.

TYGERBERG HOSPITAL			
Boiler	Due Date	Last Done	Details – Boiler Identification
Coal Fired #1	<b>19 January 2025</b>	20 January 2022	72736
Coal Fired #2	<b>24 November 2024</b>	25 November 2021	72738
Coal Fired #3	<b>3 July 2025</b>	4 July 2022	72739
Oil Boiler #4	<b>25 October 2023</b>	25 October 2020	7621
Oil Boiler #5	<b>25 December 2023</b>	25 December 2020	7622

The three boilers at Lentegeur Hospital need to be inspected within the contract period.

LENTEGEUR HOSPITAL			
Boiler	Due Date	Last Done	Boiler Identification
C1 – Coal Fired Boiler	<b>19 November 2023</b>	20 November 2020	74447
C2 – Coal Fired Boiler	<b>25 August 2025</b>	26 August 2022	72508
C3 – Coal Fired Boiler	<b>10 November 2025</b>	11 November 2022	72509

The two boilers at Western Cape College of Nursing need to be inspected within the contract period.

WESTERN CAPE COLLEGE OF NURSING			
Boiler	Due Date	Last Done	Boiler Identification
Oil Fired Boiler No 1	<b>29 May 2025</b>	30 May 2022	74481
Oil Fired Boiler No 2	<b>20 July 2025</b>	21 July 2022	74531

**3.7** The contractor must do timeous preparation work for all statutory inspections

**3.8** Already due statutory boiler inspections and

**3.9** Not-yet-due statutory inspections that might need to be done in advance of their natural due-date in order to ensure

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an adequate number of in-date boilers for all current and future duties.

**3.10** Employment and remuneration of an approved Accredited Inspection Authority (AIA) for the inspection of all boilers intended to be kept in-date.

**3.11** Boilers requiring Statutory Inspections:

3.11.1 Any coal fired boiler that is "out-of date" before the initial commencement of contract and

3.11.2 Any HFO fired boiler that is "out-of date" before the initial commencement of contract and is not earmarked by the successful bidder for permanent dry-storage and

3.11.3 Any boiler that has been regularly used throughout the duration of the contract and falls "out-of-date" before the completion of the contract (whether the statutory inspection can be completed before the end of the contract or not).

3.11.4 All coal fired boilers will definitely require at least one inspection throughout this contract are viz.,

Coal fired Boiler No. 1 at Tygerberg Hospital and
Coal Fired Boiler No. 2 at Tygerberg Hospital and
Coal Fired Boiler No. 3 at Tygerberg Hospital and
Coal Fired Boiler (Centremost) at Lentegeur Hospital and
Coal Fired Boiler (Westmost) at Lentegeur Hospital
Coal Fired Boiler (Eastmost) at Lentegeur Hospital
HFO Fired Boiler No 1 at Western Cape College of Nursing
HFO Fired Boiler No 2 at Western Cape College of Nursing

**3.12** The HFO Fired Boilers at Tygerberg Hospital that may require inspection depending on whether or not they are to be kept "In Date" or not. NB: Any possible decision taken by the contractor to reduce their maintenance costs/burden by electing *not* to complete due Statutory Inspections on any particular HFO fired boiler will, ***in no way whatsoever***, invalidate the Dept of Health's remedies in terms of steam outages. The HFO boilers to be kept in-date at all times in order to ensure a 66 % redundancy (standby) for the coal fired boilers, especially in the cooler months of the year.

HFO Fired Boiler No. 1 and
HFO Fired Boiler No. 2 and
HFO Fired Boiler No. 3:-NB:
HFO Fired Boiler No. 4 :-
HFO Fired Boiler No. 5 :-
Boilers 1, 2 and 3 is unserviceable and will never need to be inspected

**3.13** Patent Defect/s repair work to be done and financed by the contractor:-

The costs for the following work will be borne by the successful bidder: The rectification of any patent defect that could conceivably have any impact on the future availability of any steam raising equipment either at the time of contract commencement (date of site hand-over) or after contract commencement and the availability of steam raising equipment extending



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beyond the duration of this contract brought about by any cause whatsoever. The Department of Health & Wellness believes that Patent defects that require attention are visible/audible and not hidden away, and therefore shall be budgeted for mending in advance of the bidder establishing their contract bid.

- 3.14** The satisfactory repair to an approved industry standard, maintenance and if necessary the possible replacement of :-

1	boiler-tubes
2	tube-sheets
3	fire-tubes
4	refractory
5	fire-arches
6	side seals
7	grate
8	sprocket and chains
9	fans
10	burners
11	gearboxes
12	shafts
13	pumps
14	dosing pumps
15	coal conveyors
16	coal hoppers
17	submerged ash conveyor systems
18	valves
19	coal conveyors
20	lifts
21	augers
22	hoists
23	motors
24	blow-down equipment
25	blow-down pipes and pits
26	chimney stacks
27	stack stay wires
28	soot blowers
29	fuel distribution pipework
30	control systems
31	insulation
32	cladding
33	meters
34	appurtenances normally considered as part of full boiler house setup.

- 3.15** The contractor is to finance and repair any Latent Defects that were **NOT** recorded at the First Comprehensive Inspection opportunity.

The costs for the following work will be borne by the successful bidder: The rectification of any latent defect NOT

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formally recorded at the First Comprehensive Inspection opportunity that could conceivably have any impact on the future availability of any steam raising equipment either at the time of contract commencement (date of site hand-over) or after contract commencement and the availability of steam raising equipment extending beyond the date of the end of this contract, brought about by any cause whatsoever.

- 3.16** The satisfactory repair to an approved industry standard, maintenance and if necessary the possible replacement of :-

1	boiler-tubes
2	tube-sheets
3	fire-tubes
4	refractory
5	fire-arches
6	side seals
7	grate
8	sprocket and chains
9	fans
10	burners
11	gearboxes
12	shafts
13	pumps
14	dosing pumps
15	coal conveyors
16	coal hoppers
17	submerged ash conveyor systems
18	valves
19	coal conveyors
20	lifts
21	augers
22	hoists
23	motors
24	blow-down equipment
25	blow-down pipes and pits
26	chimney stacks
27	stack stay wires
28	soot blowers
29	fuel distribution pipework
30	control systems
31	insulation
32	cladding
33	meters
34	appurtenances normally considered as part of full boiler house setup.

- 3.17** The contractor shall repair or remedy any Latent Defect/s that **was/were formally recorded** at the First Comprehensive Inspection opportunity. These defects will be mended or repaired by the contractor under the following financing arrangement: -

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3.17.1 In the event the latent defect/s cannot be traced to any act or omission of the successful bidder then:-

3.17.2 any rectification costs below R50 000 will be for the bidders account.

**3.18** any rectification costs from R50 000 up to R100 000 (incl. VAT) per defect for the work will be shared by the successful bidder and the Department of Health & Wellness on a 50/50 basis as follows:-

3.18.1 The portion of the cost borne by the contractor shall be inversely proportional to the cost of remedy and the remainder (portion) shall be borne by the Department of Health & Wellness and shall be proportional to the cost of the remedy.

**3.19** any rectification costs over R100 000 (incl. VAT) per defect for the work will be entirely financed by the Department of Health & Wellness but the work will be conducted by the contractor.

**3.20** In the event the latent defect/s can be traced to any act or omission of the successful bidder, whether or not the act or omission occurred before this contract commenced the contractor will be entirely liable for the rectification of the defect and the financing thereof.

**3.21 Scale and Boiler Water Treatment:**

3.21.1 Internal Boiler Inspections:

3.21.2 All boilers will be inspected internally by the successful bidder and the Department of Health & Wellness as soon as practical after initial site hand-over, for defects such as

3.21.3 The presence of boiler scale.

3.21.4 The removal of existing boiler scale by mechanical or chemical means shall be for the account of the successful bidder.

3.21.5 The thickness of any scale existing on the boiler surfaces is difficult to determine without inspection. Therefore, for the purpose of trying to determine the amount of scale that needs to be removed and the possible desirability/necessity of acid washing any boiler/s the bidder is to assume that two boilers at Tygerberg require acid washing and that two boilers at Lentegeur requires acid washing.

In the event that there is an **urgent requirement** to acid wash any boilers extra over these so allowed for in this paragraph this work will be financed by either the Department of Health & Wellness.

Other problems, *inter alia*, the following, are to be recorded for the purposes of planning the maintenance and repair thereof, and the determination of cause if necessary:

Overheating
Corrosion, leaks, cracks, etc., and
Other significant faults

3.21.6 Base Exchange water softeners.

- 3.21.7 The boiler houses are fitted with base-exchange water softening equipment.
- 3.21.8 It behoves the successful bidder to operate and maintain this softening equipment in good working order, servicing of the softener heads, supplying salt and generally keeping the softener installation in good working order.

### **3.22 Boiler Water Treatment.**

- 3.22.1 All boiler water treatment is the responsibility of the successful bidder of this contract, that includes *inter alia* the following duties:
- 3.22.2 The provision, supply, metering, administering and adjustment of suitably approved boiler water treatment chemicals.
- 3.22.3 The provision, supply, fitting, connecting, wiring-in, commissioning, testing, adjustment, maintenance and otherwise operation of all metering and administering or dosing pumps, sampling systems and everything else required to make a complete functioning system.
- 3.22.4 The regular monitoring, checking, testing and reporting to the Department of Health & Wellness of boiler water condition.
- 3.22.5 All chemicals are to be environmentally friendly and are to comply with all Local, Provincial and National Regulations and requirements.
- 3.22.6 The purposes of boiler water treatment are to achieve the following aims:

1	Protect the water-side of the boiler from scale build-up.
2	Protect the water-side of the boiler from pitting corrosion.
3	Protect the water-side of the boiler from oxygen corrosion.
4	Protect the steam range and condensate return lines from corrosion, dezincification and any other untoward process.
5	Protect metal on the water-side of the boiler from embrittlement.
6	Keep solids in suspension in order that they may be blown out during blow-down.
7	Prevent or reduce as far as possible the carry-over of treatment chemicals to the steam range.
8	Prevent or reduce as far as possible priming and the carry-over of liquid into the steam range.
9	The applied boiler water treatment system/activities are to ensure that the boiler water remains at all times within the specifications as detailed in the specifications attached to this document.

### **3.23 Approved Boiler Water Treatment**

- 3.23.1 Because of the significant damage that can occur to State property due to poor water treatment, the Department of Health & Wellness reserves the right to either approve or reject any proposed domestic Boiler Water Treatment contractor, regime or chemicals.
- 3.23.2 The successful bidder is to timeously submit information about their proposed water treatment service provider and supply full information about the chemicals they intend to use.
- 3.23.3 In the event of a persistently poor or an untenable boiler water treatment situation in which the boilers become

under threat of possible damage, the Department of Health & Wellness reserves the right to reclaim control over the water treatment of their boilers and deduct any moneys spent in so doing from the monthly invoices of the recommended bidder.

#### **4 PAYMENT METHOD**

- 4.1 The bidder is to bid on the basis of **price per tonne of steam delivered** to the steam ranges. There is *no other avenue open for remuneration of the recommended bidder* under this contract. This is **extremely important** to note because the rate bid per tonne of steam must therefore include all expectations of what the contractor intends to receive.
- 4.2 Components of bid rate to include, *inter alia*, the following:
- 4.3 The contractor is to include *at least* all of the following into the rate per tonne of steam:

<b>4.3.1</b>	<b>FUEL</b>
	Coal
	HFO
	LPG (HFO starter fuel)
<b>4.3.2</b>	<b>WATER</b>
	Wash-down water. (Back-billed by the Department of Health & Wellness)
	Domestic water. (Back-billed by the Dept. of Health)
	Maintenance water (e.g., boiler tube cleaning etc.,) (Back-billed by the Dept. of Health & Wellness)
	NOT to include range make-up water that is issued free to the successful bidder.
<b>4.3.3</b>	<b>ELECTRICITY</b>
11	Energy charge (kWh) (Back-billed by the Department of Health & Wellness)
12	Demand Charge (kVA) (Back-billed by Department of Health & Wellness)
<b>4.3.4</b>	<b>Lubricants</b>
	Oils
	Grease
<b>4.3.5</b>	<b>Salaries, Wages, Pension fund contributions, bonuses, Medical Aid fund contributions and all other staffing costs of:</b>
	Staff on site
	Staff off site including overheads such as clerks, rent etc.
	Extra operating staff required to keep the boilers running during breakdown of equipment like coal or HFO feeder systems
<b>4.3.6</b>	<b>Inspections:</b>
	All costs of Approved Inspection Authorities (AIA).
<b>4.3.7</b>	<b>Licences, Permits, Levies etc.:</b>
	All licences payable.

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	All levies payable.
	Workman's Compensation Act costs.
<b>4.3.8</b>	<b>Domestic Contractor Costs</b>
	Boiler Water Treatment contractor costs.
	Any other specialist inspection or contractor.
<b>4.3.9</b>	<b>Insurances and Sureties.</b>
	Any insurance cover.
	Cost of any sureties.
	Cost of any legal expenses or settlements that the successful bidder may incur in connection with this contract.
<b>4.3.10</b>	<b>Any transport and Subsistence costs associated with this contract.</b>
	Training:
	Any on-the-job training.
	Any upliftment or skills development training of any type.
<b>4.3.11</b>	<b>Maintenance:</b>
	All maintenance work contemplated in the Scope of Work as outlined above (except where such work is clearly for the account of the Department of Health & Wellness) including the cost to the successful bidder of <i>inter alia</i> , the following
	All professional fees such as design, project management and approval fees.
	All materials for maintenance work.
	Labour for maintenance work.
	Engagement of domestic contractors for maintenance purposes.
	Installation of new meters and the calibration of all existing meters.
<b>4.3.12</b>	<b>Plant Enhancement/improvements:</b>
	Any approved improvements that the successful bidder may choose to bring about in the boiler house. <b>Note:</b> Once introduced to the site any such improvement becomes a fixture and may not be removed at the end of the contract.
<b>4.3.13</b>	<b>Site establishment</b>
	Phone lines and instrument rentals.
	Email communication
	Office equipment.
	Provision of a Rose Foundation HFO spills containers.
<b>4.3.14</b>	<b>Profits</b>
	Note that a minimum of 5 % of the bid rate does <i>not</i> attract contract price escalation.
	For the purpose of invoice preparation, the steam delivered to the hospital, college and laundries steam ranges will be deemed to be equal to the water fed into the boilers through the calibrated meters but will not include the filling up of any boiler not on-range (i.e., any filling up of any boiler with the crown valve of the boiler shut).
	The successful bidder will not fill any boiler from empty or partially empty with water that has passed through the usual boiler feed water meter. The only time that these metered routes may be used is when the boilers are actually raising steam with the



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	crown valves open connecting the boiler onto the steam range. (In the event that any boiler is filled with water that has passed through the usual billing meter this is to be formally witnessed by and declared to the Department of Health & Wellness in writing with details and a suitable adjustment to the monthly readings is to be passed as a credit to the Department of Health & Wellness).
	The bidder is to consider, and may make allowance for, the following losses when preparing their bids as the following matters will have the effect that the steam delivered to the hospitals will be lower than the water pumped into the boilers:
	Blow down losses. This is a saving to the contractor as the enthalpy of evaporation need not be added before the boiler water is blown down.
	The gratuitous or excessive blowing down of boilers is not permitted and is to be discouraged at all times.
	Soot blowing on the coal fired boilers. Although this is not a direct saving as such no surcharge should be added, because the steam used for soot blowing has already been recorded on the feed water meters and therefore is a cost to the Department and not the contractor.
	The gratuitous use of the soot blowers is not permitted. Soot blowing is only to take place at the intervals recommended and for the times recommended by the soot blower manufacturer
<b>4.3.15</b>	<b>ESCALATION</b>
	The bid rate will be escalated according to the standard formula presented below.
	The bidder is to select a portion of the rate that will be fixed. This is to be no less than 5% of the total price.
	Dual Fuel Capability: At the Tygerberg site the steam may be raised in either the HFO fired boilers or in the coal fired boilers. This bid enquiry document does not differentiate between fuels burned and, unlike in the past, there is no opportunity to offer different rates depending on how the steam was raised.
	The formula is as follows:
	$P_a = \{(1-V) \cdot P_t\} \cdot [D_1 \cdot (R_{1t}/R_{1o}) + D_2 \cdot (R_{2t}/R_{2o}) + D_3 \cdot (R_{3t}/R_{3o}) + \dots + D_n \cdot (R_{nt}/R_{no})] + VP_t$ where
	$P_a$ is the adjusted tariff for each period
	$V$ is the fixed portion of the tariff which must not be less than 0.05
	$P_t$ is the tariff at bid date that is applicable to the first period of the contract.
	$D_1, D_2, D_3$ , up to $D_n$ are the portions (as a fraction) which will be coupled to the indices $R_1, R_2, R_3$ , up to $R_n$ respectively. The sum $D_1, D_2, D_3$ , up to $D_n$ must equal one.
	$D_1$ The portion of the whole bid rate attributable to wages, salaries, overheads, etc.,
	$D_2$ The portion of the whole bid rate attributable to the price of coal landed in Cape Town,

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	D <sub>3</sub> The portion of the whole bid rate attributable to the price of HFO in Cape Town with the proviso that
	This figure, namely D <sub>3</sub> , <i>may not exceed</i> the value of 0.03
	D <sub>4</sub> The portion of the whole bid rate attributable to boiler maintenance,
	D <sub>5</sub> The portion of the whole bid rate attributable to electricity etc.,
	R <sub>1t</sub> /R <sub>1o</sub> , t/R <sub>2o</sub> , R <sub>3t</sub> /R <sub>3o</sub> , up to R <sub>nt</sub> /R <sub>no</sub> are the ratios of the indices applicable to the various components of the service, namely
	R <sub>1</sub> : Wages, salaries, overheads, etc., as pertaining to the industry and issued by
	SEIFSA table C3
	Central Statistics Centre
	R <sub>2</sub> : The coal price delivered to the Cape Town area comprised of the sum of the following components:
	The average of two or more legitimate quotes for grade A coal delivered in the Greater Cape Town Area, supported by legitimate recent invoices.
	R <sub>3</sub> : The relevant escalation index for maintenance of heavy machinery
	Stats SA PPI Table C1 Final Manufactured Goods
	R <sub>4</sub> : The relevant escalation index for electricity
	SEIFSA table K

## **5 FREE USE OF STATE FACILITIES**

- 5.1 The bidder shall be permitted to use the state owned steam raising plant (i.e., the boilers etc.,) Free of Charge (F.O.C) on condition that the equipment and machinery is operated, serviced and maintained in accordance with good practice.

## **6 USE OF PREMISES: The premises shall only be used for**

- 6.1 The main intention, namely the raising of steam for the onward sale and distribution to the hospital, college and laundry and all boilers shall be operated by qualified permanent staff of the bidder.
- 6.2 No business or other activity not directly related to the above will be permitted.
- 6.3 No illegal activities shall be permitted.
- 6.4 No substance abuse or pedalling shall be permitted.
- 6.5 No visitors shall be permitted unless the sole purpose for their presence is work related.
- 6.6 No stolen property shall be permitted on site.
- 6.7 The presence and consumption of the following anti-social substances shall not be permitted on site:
- 6.8 Alcohol and habit-forming drugs unless they are prescribed by a doctor.
- 6.9 No one shall be permitted on the premises under the influence of habit-forming or mind altering drugs.
- 6.10 No one having consumed alcohol or showing signs of having consumed alcohol shall be permitted on the premises.

## **7 FUEL: All fuels and oils are**

- 7.1 For the account of the contractor.
- 7.2 To be ordered up, handled, conveyed, transported, stored and used by the successful bidder.
- 7.3 To be delivered by the successful bidder or his agent.
- 7.4 To be approved for use by the Department of Health & Wellness.
- 7.5 Only fuels that are considered benign to the Department of Health & Wellness installation shall be permitted.
- 7.6 Only the following fuels are to be fired in the boilers
- 7.7 Coal:
- 7.8 Transvaal:
- 7.9 Grades A, B, C smalls permitted.
- 7.10 Grade D not permitted.
- 7.11 Liquid Fuel:
- 7.12 HFO
- 7.13 To meet specification CKS 142-1989.
- 7.14 Alternative liquid fuels will only be permitted on the basis of a formal application to use such fuel. The application will be considered in the light of the following aspects:
- 7.15 Safety
- 7.16 Fire danger.
- 7.17 Threat to the materials found in the components that make up the whole working installation.
- 7.18 Environmental considerations.

## **8 FREE ISSUE SERVICES**

- 8.1 The following services are to be supplied free of charge (F.O.C) to the contractor.
- 8.2 Raw untreated make-up water to make up for the condensate and steam that is lost on the circuit and does not get returned.

## **9 Steam flow to the:**

- 9.1 Outflow heaters of the bulk HFO storage tanks. This currently branches off the main line and the In-line steam heated HFO calorifiers that prepare the HFO for the burners.
- 9.2 Steam to raise boiler feed water temperature to 90 (ninety) degrees centigrade.

## **10 SERVICES TO BE METERED FOR THE CONTRACTORS ACCOUNT**

- 10.1 The following meters are to be read in advance of preparing the monthly invoice and the monetary values of these service charges are to be set off against the cost of the steam delivered.
- 10.2 Water for all domestic, wash-down and other site use (excluding raw make-up water detailed above).
- 10.3 Provision for communication with personnel on site.
- 10.4 Electrical Power:

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- 10.5 All power used by the contractor for operating the boiler house including the following items are to be metered for the contractor's account:

1	Boiler ID and FD fans
2	Boiler feed water pumps
3	Boiler burners
4	HFO reticulation pumps
5	HFO outflow heaters (standby)
6	HFO ring main calorifiers (standby)
7	Boiler control panels
8	Coal scoop
9	Coal augers
10	Coal conveyors
11	Coal distributors
12	Coal lifts
13	Grate motors
14	Submerged ash conveyor
15	Ash lift
16	Maintenance tools
17	Air compressors for maintenance work
18	Lighting
19	Space heating/cooling if necessary
20	Domestic use as staff showers, air conditioning, kitchens etc.

**11 Electricity Charge Out Rates:**

- 11.1 Energy Rate:
- 11.2 The rate that will be charged by the Department of Health & Wellness will be equal to that at which the Department of Health buys the energy from their supplier Municipalities.
- 11.3 This rate will be the rate ruling at the time that the monthly steam delivery invoice is submitted.
- 11.4 NB: Electricity rates are reviewed annually in July each year and increases will be passed on to the successful bidder
- 11.5 Demand Charge:
- 11.6 This will be calculated from the dedicated demand meter.
- 11.7 The demand rate is likewise to be the same as the bought-in rate as charged by the supplier Municipalities.
- 11.8 This rate will be the rate ruling at the time that the monthly steam delivery invoice is submitted.

**12 BOILER MONITORING, DATA AND METER READING**

- 12.1 Bidders shall inspect and assure themselves that the three continuous monitoring systems (one at Tygerberg, one at Western Cape Nursing College and one at Lentegeur) are fully functional and

capable of logging the following data for each of the boilers:

- TDS
- Feed water volumes
- Steam flow to the hospital, laundry and University (Tygerberg)
- Steam flow (Lentegeur)
- Steam flow (Western Cape College of Nursing)
- Steam pressures on main lines feeding steam to the listed facilities.

Should these not be fully operational, the bidders should make provision in their price for putting a system in place.

- 12.2 All the above information must be "online" accessible. Data shall be presented in graphic format. The data should however be compatible with Excel

### **13 INVOICING**

- 13.1 The invoice for steam delivered is to be prepared from these figures mentioned above.
- 13.2 No processing of the invoice will take place unless all the information to be furnished is present and correct, namely:
- 13.3 All boiler feed water meter readings.
- 13.4 All domestic water readings.
- 13.5 The electricity consumption readings.
- 13.6 The electricity demand reading.
- 13.7 Any supporting evidence as to why penalties should not apply in the event of the delivery pressure falling below the allotted requirement, *inter alia*
- 13.8 Steam pressure traces for the relevant period.
- 13.9 Steam demand trace for the relevant period.
- 13.10 Logbook data covering the relevant period.
- 13.11 It behoves the contractor to be especially careful when preparing and submitting the monthly invoice as delays will be experienced if incomplete information or ambiguities exist.

### **14 COMMENCEMENT OF METER READING**

- 14.1 The contractor is to expedite the installation and/or calibration of all the billing meters and the continuous, online, recording and logging system.
- 14.2 The contractor must submit an acceptable program for the installation and /or calibration of all meters intended for billing purposes within one week of the date of acceptance of the contract.
- 14.3 The Department of Health & Wellness is to approve the program.
- 14.4 The contractor is to complete the replacement and calibration of meters according to his submitted program.

### **14.5 Fuels on hand:**

**14.6 Meter reading at the beginning of the contract:**

- 14.7 The quantity of private fuel still on hand is to be formally recorded in the presence of both parties and the billing meters are to be read in the presence of both parties for the commencement of steam delivery invoicing. Any fuel on hand at the end of the contract will be credited to the contractor and any fuel on hand at the start of the contract will be credited to the department. The Department will only pay the current market rate at the time for the fuel.
- 14.8 Other services intended for metering (besides the steam draw off meters) such as the water and electricity meters are also to be read in the presence of both parties.

**15 ACCOUNTING FOR PLANT CONDITION**

- 15.1 In order that account be taken of plant condition before hand-over to the contractor and beforehand-back by the contractor a minimum of two comprehensive plant-surveys are required.
- 15.2 In addition, the Department of Health & Wellness reserves the right to conduct a survey at any time in order to determine the availability of the plant and the contractor's compliance with his duty to operate, adjust, service and maintain the equipment in a satisfactory working condition.
- 15.3 The initial general survey will be completed within two months of hand-over and the final exit survey will be completed three months before anticipated hand-back and another survey will be completed at the time that the plant is returned to the Department of Health & Wellness.
- 15.4 Each boiler is to be taken off line, opened and inspected internally as soon as is practically possible considering the requirement to keep the service functioning at all times.
- 15.5 The condition of all boilers and other ancillary equipment, using including photographic evidence where necessary, is to be recorded for future reference and for the planning of future maintenance and the assessment of liability for corrective measures and/or for the resolution of possible disputes.
- 15.6 The surveys are to determine the general state of the equipment in *qualitative* and where possible *quantitative* terms. The condition recorded at the beginning of the contract is to be used as evidence in the event of a dispute during the contract and as evidence of any untoward deterioration of the equipment during the contract.
- 15.7 In the event of premature deterioration or catastrophic failure attributable to negligence, lack of due attention or other unacceptable treatment of state property such as allowing the maintenance of property to slide downwards towards the end of the contract period the Department of Health & Wellness will have the option of



- 15.8 Bringing about the necessary improvements at the contractor's expense in order to make good the net deterioration or
- 15.9 Have the value of the deterioration set off against the remaining invoices payable under the contract or
- 15.10 Using the surety for the purpose of returning the equipment to the same overall condition that it was handed over in originally.
- 15.11 No surety will be released until such time as the Department of Health & Wellness has issued a certificate of contract completion.
- 15.12 This certificate of contract completion will not be issued until such time as net deterioration has been adequately compensated for.

## **16 PLANT SURVEYS**

### **Determination:**

- 16.1 These are to be conducted with one week's notice given by the contractor or the Department of Health & Wellness of their intention to conduct the survey.
- 16.2 The survey is to be attended and conducted by a team jointly made up by two suitably experienced contractors, appointed employees and two suitably experienced inspectors from the client.
- 16.3 In the event of a dispute between the Department of Health & Wellness and the successful bidder about the characterisation of a fault, defect or condition the issue will be referred to a mutually acceptable Inspection Authority and the cost shall be borne by the party that is not adjudged to be correct. In the event that both parties are somewhat correct the cost will be apportioned pro-rata towards the parties, as determined by the Independent Inspection Authority.
- 16.4 **Amending final survey figures:**
  - 16.4.1 In order to finally close the books at the end of the contract period final survey figures will not be open to re-negotiation at a later date.
  - 16.4.2 Back-to-back contracts or Contract Extension:
  - 16.4.3 Should the incumbent contractor win an extension of the existing contract or a continuing (back to back) contract the adjoining handing back and taking over surveys may be waived on both parties' agreement and the original survey figures merely carried forward to the end of the new contract.

## **17 NUISANCE**

- 17.1 The plant shall at all times be operated and maintained in a manner that avoids nuisance to others.

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- 17.2 Smoke shall be limited to acceptable levels to ensure compliance with all national, regional or local environmental control agencies.
- 17.3 Neither any illegal substance nor any substance in an illegally high concentration may be discharged through any stack.
- 17.4 Noise and smoke emissions shall be limited to acceptable levels so as not to cause nuisance to
- 17.4.1 Hospital staff or patients
- 17.4.2 Laundry staff or
- 17.4.3 Forensic Mortuary staff or
- 17.4.4 Any new neighbours that may occupy accommodation in the new Tygerberg Industrial Park planned for development across the boundary wall.
- 17.4.5 Any local residents in the adjoining neighbourhoods of Ravensmead, Mitchells Plain or Athlone.
- 17.5 No effluent unacceptable to the pollution control officer of the Cape Metropolitan Council may be discharged in the sewers.
- 17.6 Neither any illegal substance nor any substance in an illegally high concentration may be discharged into any foul or storm water sewer.
- 17.7 No effluent may be discharged at a temperature higher than 43 °C.
- 17.8 The storm water sewer is to be maintained entirely separately from the foul sewer at all times.
- 17.9 No connection may be permitted between these two systems.
- 17.10 Both sewer systems are to be protected at all times from the ingress of harmful substances such as illegal and polluting substances.
- 17.10.1 HFO leaks:**
- 17.10.1.1 The HFO routes are to be checked regularly in order to avoid spillage into the waste water systems.
- 17.10.1.2 Areas that are prone to HFO spills and leaks are to be drained away from the waste water systems towards areas that carry frequent traffic in order that the spill is quickly spotted.
- 17.10.1.3 Any HFO spillage is to be cleaned up immediately and satisfactorily to limit fire risk and to protect the environment.

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- 17.10.1.4 Any coal spilled outside the bunker is to be swept up immediately.
- 17.10.1.5 Any HFO spilled inside the bund wall is to be removed from the hospital property as soon as possible and is not to be returned to the HFO tanks.
- 17.10.2 Heavy vehicular traffic (coal and/or HFO road tankers) are not permitted to use the South Entrance to Tygerberg Hospital.
- 17.10.3 Heavy vehicles have to use the East Entrance to Tygerberg Hospital and are then to make a point of avoiding peak traffic congestion on site.
- 17.10.4 No heavy vehicle shall be overloaded or of such a design that tyre shear shall scuff the road surface or be injurious in any way whatsoever to the paved roads at the hospital.
- 17.10.5 The contractor shall be responsible for any damage or injury to hospital property.
- 17.10.6 No vehicles shall be permitted to leave the paved roads for any reason whatsoever. The following services are vital to the operation of the hospital and should never be disturbed:
  - 17.10.6.1 High voltage cables and
  - 17.10.6.2 Vital asbestos cement water supply pipes are buried everywhere and
  - 17.10.6.3 Data communication cabling.
- 17.10.7 All vehicles are to be driven by fully licensed drivers and are to adhere to all traffic regulations at all times.
- 17.10.8 Drivers are to take note that this is a hospital site in which sick, slow, immobile and wheelchair patients abound.
- 17.10.9 The driver of any vehicle is to adhere to the maximum speed limits as displayed or slower, as dictated by an utmost regard for safety.
- 17.10.10 Drivers are to defer to emergency vehicles and make every effort to get out of their path.
- 17.10.11 Vehicles are to be parked legally at all times, failure of which will attract legally enforceable fines.

**18 ASH**

- 18.1 All the ash generated by the coal fired boilers will become the property and the responsibility of the contractor.
- 18.2 The contractor is thus to make timeous arrangements for the removal and disposal of ash.

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- 18.2.1 Ash build-ups on site will not be tolerated.
- 18.3 The restrictions concerning the operation of heavy vehicles on the premises apply to the ash removal vehicles as well.
- 18.4 Ash is to be kept wet at all times and may not be accumulated on site in anything other than the designated skip.
- 18.5 Not more than two skips for the removal of ash shall be permitted on the premises at any one time.

**19 STOCKPILING OF MATERIALS**

- 19.1 No coal, HFO or other material may be stockpiled on site other than that which is ready-use for consumption in the short term.
- 19.2 All fuel is to be stored in a manner that
  - 19.2.1 Reduces the risk of fire as far as possible and
  - 19.2.2 Is not a nuisance to those using the general area and
  - 19.2.3 Is not unsightly.
- 19.3 All fuel is to be stored in officially designated purpose made containers, viz., the coal bunker and the bulk HFO tanks.
- 19.4 Stockpiling of fuel.
  - 19.4.1 Running out of or short of fuel, whether be it coal or HFO, shall in no-way vitiate the Department of Health's remedies for non-performance by the successful bidder.
    - 19.4.1.1 It is strongly recommended that the successful bidder keeps as much HFO in the onsite storage tanks at all times as is possibly practical. In the event of coal supply problems this could help delay the onset or even avoid penalties.
    - 19.4.1.2 Energy supply problems.
      - 19.4.1.2.1 Due to burgeoning energy problems in South Africa problems are beginning to be experienced with the supply of energy.
        - 19.4.1.2.1.1 Electricity:
          - 19.4.1.2.1.1.1 This is usually supplied by Tygerberg Hospital at the Tygerberg boiler house and by Lentegeur Hospital at the Lentegeur boiler house and by Western Cape Nursing College at the Western Cape Nursing College boiler house. The Tygerberg boiler house is connected to the existing 11kv electrical standby power supply. It is the responsibility of the Hospital to supply electricity at all times and it is recognised that the successful bidder is unable to maintain steam pressure in the event of electrical power supply problems beyond their control.

19.4.1.2.1.2 Fuels:

19.4.1.2.1.2.1 The steady un-interrupted supply of relevant fuels for the boilers is always an unalienable duty of the successful bidder, no matter what the fuel situation may be at their suppliers. Therefore, it is strongly recommended that **great attention be paid** by the successful bidder **to fuel supply availability** in order that adequate measures are in place to ensure that the boilers NEVER run out of fuel.

## **20 INDUSTRIAL ACTION**

20.1 The steam demand must be supplied by the contractor irrespective of industrial action by either the

20.1.1 Department of Health's employees.

20.1.1.1 Any obstruction of the contractor's employees in pursuance of their work must be reported to Chief Director, the Chief Executive Officer of Tygerberg, Western Cape College of Nursing and Lentegeur Hospitals and the Directorate of Engineering and Technical Support at the Department of Health & Wellness immediately in order to

20.1.1.1.1 Protect the contractor from penalties and

20.1.1.1.2 Provide the Department of Health & Wellness with the best opportunity to rectify the situation without delay.

20.1.2 Or the Contractor's employees.

20.1.2.1 The contractor is to have a contingency plan of action to accommodate Industrial Action.

20.1.2.2 Industrial Action will not abrogate the contractor's duty to provide an undiminished service during unrest.

## **21 MODIFICATIONS**

21.1 To buildings:

21.1.1 No structure, fence, barrier or lean-to is to be built on the premises without written permission from the Department of Health & Wellness.

21.1.2 Any proposed modification, addition or alteration (A & A's) to the buildings or premises is to be submitted for formal approval to the Department of Health & Wellness no less than six weeks ahead of proposed commencement.

21.1.3 Any unapproved modification or A & A is liable to be condemned and the contractor will be responsible for the immediate removal and restitution of the attempted work to the original condition.

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- 21.1.4 Any modifications or A & A's contemplated above is to be strictly in accordance with the National Building Regulations and in accordance with the WCG standard specifications available for inspection at the Department of Infrastructure, 9 Dorp Street Cape Town.
- 21.1.5 Any approved modification or A & A becomes the sole property of the Department of Health & Wellness as soon as it becomes a fixture and may not be subsequently removed or modified in any way without written official permission, which will be denied unless there was an express agreement in writing at the time of the change that acknowledges that the additional item may be removed at a later date.
- 21.1.6 Once approved it behoves the contractor to complete the modification in detail within a reasonable period. No modification or A & A may be left partly finished.
- 21.1.7 No modification or A & A may be approved until a written, formalised agreement is in place as to who is to pay for the A & A.
- 21.1.8 In the absence of direct contradictory written proof of the opposite the contractor will be deemed to be responsible for the financial implications of any A & A.
- 21.2 Modifications to the plant:
- 21.2.1 Proposed modifications to the Plant are to be formally submitted to the Department of Health & Wellness eight weeks in advance of the contemplated starting date.
- 21.2.2 All information including drawings, specifications and estimated costs are to be submitted simultaneously.
- 21.2.3 The Department of Health & Wellness will either approve or not approve the A & A within four weeks of receipt of application.
- 21.2.4 All other conditions as described under: "MODIFICATIONS TO BUILDINGS" are to apply.
- 21.3 Ownership of Material /Equipment brought onto the premises.
- 21.3.1 All loose hand-tools brought onto site remain the property of the contractor.
- 21.3.2 All loose power-tools brought onto site remain the property of the contractor.
- 21.3.3 All loose portable equipment brought onto site remain the property of the contractor. This covers items such as
- 21.3.3.1 Ladders
- 21.3.3.2 High pressure washers

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- 21.3.3.3 Tool boxes
- 21.3.3.4 Boiler cleaning equipment
- 21.3.3.5 Pressurisation pumps
- 21.3.3.6 Block and tackles, hoists etc.
- 21.3.4 Other items that become bolted, clamped, welded or in any way an integral part the plant become "fixtures" and thus become state property once fixed. These may never be removed from the plant.
- 21.3.5 Should the contractor wish to bring equipment or gear onto the premises that he expressly intends to remove at a later date and does not wish to transfer ownership to the state he must declare the arrival of the equipment and have its status entered into a "PERMANENT LOAN REGISTER" held by the Department of Health & Wellness.
- 21.3.5.1 Only items that are properly described in this register may be removed from site.
- 21.3.5.2 Acceptable reasons must be furnished why the gear or equipment must not become state property are also to be furnished before the equipment may be entered into the "PERMANENT LOAN REGISTER"

## **22 ACCESS TO THE PREMISES AND WAYLEAVES**

- 22.1 The contractor shall not gratuitously or unreasonably deny any official of the Department of Health & Wellness access to the plant.
- 22.2 The contractor shall leave a way open to representatives of the Department of Health & Wellness to gain access to any installation, component, support structure or equipment that from time to time may need service, modification, repair, maintenance or replacement.
- 22.3 No official from the Department of Health & Wellness may make a nuisance of himself on the contractor's premises.
- 22.4 No suggestion, instruction or indication from any official of the Department of Health & Wellness shall be of effect unless it is in writing and financial implications are formally agreed to by the Director (Engineering & Technical Support Services).
- 22.5 Only direct verbal instructions from an official of the Department of Health & Wellness that can be legitimately construed as an emergency (i.e., serious safety threat to plant or life and limb) must be heeded.

## **23 OCCUPATIONAL HEALTH AND SAFETY**

- 23.1 The contractor will be responsible for all aspects of the health and safety of his employees and

<b>WESTERN CAPE GOVERNMENT: HEALTH</b> DIRECTORATE: SUPPLY CHAIN (INFRASTRUCTURE SOURCING) BID OPENED 11:00	
<b>2023-08-07</b>	
1).....	2).....
SIGNED	SIGNED



domestic sub-contractors as required by the Occupational Health and Safety Act, Act 83 of 1993 and latest amendments.

## **24 UNPLANNED STEAM SHUT-DOWNS**

- 24.1 Unscheduled interruptions in the steam supply service are those that are either not planned at all or are planned with less than 24 hours advance notice.
- 24.2 They will attract penalties in accordance with the penalty conditions described elsewhere.
- 24.3 Immediately upon an unscheduled service failure at any of the listed sites the contractor shall notify the Chief Director, the Chief Executive Officer of Tygerberg Hospital and the Director of the Directorate Engineering and Technical Support Services (in the case of the Tygerberg outage) and the Laundry Manager at Lentegeur and the Director of the Directorate Engineering and Technical Support Services (in the case of an outage at the Lentegeur site) and the College Manager at Western Cape Nursing College and the Director of the Directorate Engineering and Technical Support Services at the Department of Health & Wellness (in the case of an outage at the Western Cape Nursing College site) of the nature of the failure and the anticipated duration of the outage.
- 24.4 Should this unscheduled outage occur outside normal working hours the contractor is to ensure that the Department of Health's standby fitters is called out to reset all out-of-control pressure regulating valves and any popped pressure relief valves that might have been upset by the service outage.

## **25 SECURITY**

- 25.1 The Western Cape College of Nursing, Tygerberg and Lentegeur hospitals have their own twenty-four (24) hour security staff and also employ private security firms who patrol the premises at all times.
- 25.2 No-one is permitted to remove Department of Health & Wellness property from the premises and all persons, baggage and vehicles entering and leaving the property are subject to search at any time.
- 25.3 At Tygerberg the boiler house is positioned along with the workshop, laundry etc., within a security camp.
- 25.3.1 However, the diamond mesh security fence is easily and regularly breached by staff and others and the premises should not be regarded as a well secured site.
- 25.3.2 A vacant tract of land adjacent to the boiler house belongs to the property division of Spoornet and is earmarked for development as a business park in the foreseeable future.

Being a poorly patrolled vacant lot it could possibly be used as an access route by those that do not

wish to use the usual entrances and exits provided by the hospital. Although security nominally exists the contractor is warned that security might not be very good.

- 25.4 At Lentegeur the boiler house is positioned towards the northern boundary of the hospital, but it is not in a separate security camp.
- 25.5 The Department of Health & Wellness will not be held liable for any breach of security that may have an adverse effect on the activities of the contractor.
- 25.5.1 In the event that equipment, fittings, pipework etc., is vandalised or stolen for their scrap or other value (with particular reference to copper, brass, stainless steel, aluminium, cast iron, steel etc.) the contractor will be required to restore the installation to the same standard that it was originally handed over in.
- 25.5.2 In the event that the installation has to be restored to its former condition the replacement materials are to be the same as those removed during the theft.
- 25.6 The contractor's staff is to wear clearly identifiable informal uniforms or overalls at all times. The overalls are to have the name of the contractor embroidered in letters that contrast with the overall colour and are a minimum of 60 mm high.
- 25.7 The contractor's staff is to display identification cards at all times and are to restrict themselves to areas that they have legitimate business in.
- 25.8 The contractor's staff is not to fraternise with the Department of Health & Wellness staff during working hours.

## **26 BULK STORAGE TANKS AND HFO FUEL RETICULATION SYSTEM at TYGERBERG HOSPITAL**

- 26.1 The two existing bulk HFO storage tanks and fuel reticulation system including the equipment in 26.3 are currently owned by the current fuel supply contractor (ENGEN).
- 26.2 The successful bidder will be required to make their own arrangements for the use thereof or make their own alternative arrangements should they wish to use the HFO fired boilers.
- 26.3 The HFO installation that is **not owned** by the Department of Health & Wellness consists of the following equipment:
  - 26.3.1 The two in number (of approximately 90 000 litre) capacity horizontal bulk storage tanks
  - 26.3.2 The bund wall around the bulk storage tanks
  - 26.3.3 The two outflow heaters
  - 26.3.4 The HFO supply line outside the building line feeding the calorifiers

26.3.5 The two steam and electrically heated HFO calorifiers used to maintain ring temperatures

26.4 The ring main pumping circuit distributing fuel to the HFO boilers inside the building line is the property of the Department of Health & Wellness.

## **27 FAIR WEAR AND TEAR NOT EXCEPTED**

27.1 Due to the long contract period, significant amounts of normal wear and tear will occur and it is the duty of the contractor to make good this fair wear and tear, *and to allow for such work in their offered rates for steam. Fair wear and tear will include:*

27.1.1 The item/assembly is normally exposed to coal and grit and/or other solid agents that have aggressive or abrasive action on the item/assembly and that the deterioration is on the non-water side of the item/assembly (L.e, waterside problems are excluded) and:-

27.1.2 There is no evidence of neglect or abuse by the successful bidder of the defective item/assembly and:-

27.1.3 The item/assembly is nearing the end of what could justifiably be called its normal natural life expectancy as determined by the Department of Health of Wellness or, in the event of a dispute, by an independent Inspection Authority competent in boiler house matters and the following:-

27.1.4 There is a starting threshold of R 100 000.00 per qualifying **item or assembly** subjected to wear-out on a fair wear and tear basis below which:-

The successful bidder is entirely responsible for replacement or repair of said item/assembly.

27.1.5 Between R 100 000.00 and R 150 000.00 the cost is split 50/50 (on a cost basis) between the Department of Health & Wellness and the successful bidder.

27.1.6 Above R 150 000.00 the cost is entirely for the account of the Department of Health & Wellness.

27.2 It is the duty of the contractor to maintain the condition of the buildings and equipment. The contractor is also required, *inter alia*, to perform normal day to day activities such as ;

27.2.1 Adjusting the equipment

27.2.2 Greasing the equipment.

27.2.3 Cleaning the equipment.

27.2.4 Painting the equipment.

27.2.5 Polishing the equipment.

27.2.6 Maintaining the equipment.

27.2.7 Repairing the equipment

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- 27.2.8 Painting and maintaining the inside of the boiler houses fabric.
- 27.2.9 The repair and maintenance of the tarmac outside the boiler houses as damaged by the coal delivery trucks especially in areas that they use for turning circles.
- 27.2.10 NB: The roof of the boiler houses and the exterior fabric of the boiler houses will be maintained and painted by others.
- 27.3 The contractor is to ensure that the plant will at all times be capable of the performance for which it was originally designed.
- 27.4 The contractor is to ensure that the equipment and machinery will meet or exceed its normal design life.
- 27.5 The contractor is to ensure that the reliability of the equipment is maintained if not improved.

## **28 PENALTIES**

### **28.1 Tygerberg Hospital Site**

- 28.1.1 Penalties will be applied in the event that the contractor falls foul of their service supply duties and obligations under this bid. It must be fully understood that both the Tygerberg Hospital, Tygerberg Laundry *rely very heavily* on the adequate availability of steam for the continued operation of their institutions. The steam service is not merely a "nice to have" service: It's a **'must have'** service.
- 28.1.2 Without an adequate and proper steam supply the main, operating theatres at the hospital and laundry grind to a halt in a short time. This is a *very serious matter* and therefore the **PENALTIES ARE SEVERE** and are designed to be in keeping with the losses experienced by the Department of Health & Wellness in the event of a steam service outage.
- 28.1.3 In the event that the Department of Health & Wellness institutions at the Tygerberg site experience problems with the steam supply service, penalties shall accrue on a demerit points system (ultimately translated into South African Rand for the purposes of applying sanctions) that shall be applied as a sanction against the contractor (amongst other possible remedies such as contract cancellation in extreme cases). The demerit system is used in order that a fair SA Rand value penalty can be tailored in a manner that is
- 28.1.3.1 Commensurate with the losses suffered by the institutions and
- 28.1.3.2 Allows a certain leeway for a new contractor, particularly at the beginning of a new contract period, when the contractor is taking over equipment that has (perhaps) been under the control and maintenance of others and
- 28.1.3.3 Recognises the relation between the available capacity of the equipment and the likely maximum demand at any one time.

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- 28.1.4 In the event that any proven pecuniary sanctions are applied against the contractor (for failing to provide the steam service as required) the ZAR value of any sanction will, at the discretion of the Department of Health & Wellness, be recovered either from the surety or will be set off against invoices for steam consumed or repair work or replacement of faulty equipment done by the contractor on the following basis:
- 28.1.4.1 During the first 12 months of the contract the demerit points shall be accumulated (accrued) and the sum of all demerits at the end of the 12-month period shall be adjusted according to the provisions of 28.1.4.2
- 28.1.4.2 In the event that any sanction appertaining to the first 12 months of the contract is to be set off against the future steam invoices the sanction accrued in the first 12month period will be set off against invoices otherwise payable for steam amortised as six equal penalties applied over the following six months.
- 28.1.5 After the first 12 months of the contract demerits will be recorded on a six-month cyclical basis and the final tally of accumulated demerit points shall be adjusted according to the provisions of 28.1.6
- 28.1.6 Any six-month cycle sanction will, if not claimed from the surety, be set off against invoices for steam delivered in six equal penalties applied over the following six months unless the six-month cycle is the last cycle of the contract in which case
- 28.1.6.1 The final six-month sanction will, if not claimed from the surety, be accounted for in one sum in the final account.
- 28.1.7 Unadjusted demerit points shall accrue at all times where the contractor has failed to maintain the steam range pressure at or over **800 kPa gauge** pressure. Demerit points shall not accrue under the following conditions:
- 28.1.7.1 A pre-programmed orderly shutdown of the steam range is approved by the affected institutions and
- 28.1.7.2 The steam range shutdown is properly planned with documentary evidence in the form of:
- 28.1.7.3 Minutes from the Shutdown -24 hr meeting lodged with Department of Health & Wellness Chief Engineer: Engineering Services at Tygerberg Hospital prior to the outage and
- 28.1.7.4 Minutes from the Shutdown -72 hr meeting lodged with the Department of Health's Chief Engineer: Engineering Services at Tygerberg Hospital prior to the outage.
- 28.1.7.5 The combined Tygerberg Hospital and Laundry load exceeds 40 tonnes per hour as recorded by the data logging (boiler monitoring system) up to the main steam line orifice plate. In the event that this steam flow meter is not operational or electronic data not available for the

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period in question it shall be deemed that the total steam demand was **below** 40 tonnes per hour at all times. Installation and maintenance of the electronic monitoring and logging systems will be the responsibility of the successful bidder. Failure to comply will result in non-payment of invoices.

28.1.7.6 96 hours have elapsed since the contractor has given written notification (against the signature of the Chief Engineer: Engineering Services at Tygerberg Hospital) and full details that an insuperable impediment outside the contractor's control (but within the control of the Department of Health & Wellness) that has prohibited the physical delivery of fuel to the boiler house. Issues such as physical barriers qualify for this exclusion, but the mere failure to provide sufficient on-site storage of fuel or the failure to garner or secure adequate supplies of the correct type of fuel to keep the steam service operating at the required output do not qualify as cause for relief from accruing demerit points.

28.1.7.7 **The duration of an outage is of no more than 30 (thirty) consecutive minutes providing that**

28.1.7.8 Any return of the pressure to above 800 kPa of shorter duration than 15 minutes shall be deemed not to have broken the outage.

28.1.7.9 The contractor is not adequately supplied by the Department of Health & Wellness with the following services:

28.1.7.10 Electric power

28.1.7.11 Excepting that:

28.1.7.12 the contractor is permitted a suitable time to reset and restart machinery following a short power interruption during changeover from normal to standby power and visa versa

28.1.7.13 Water for make-up purposes

28.1.7.14 Excepting that:

28.1.7.15 the contractor is permitted a suitable time to reset and restart machinery following a short interruption during changeover from normal to standby water supplies from the tower and visa versa

28.1.8 The implications to the Department of Health & Wellness of any steam service outage are a strong function of the actual time of day and the day of the week on which the outage occurred. Also, the pressure to which the steam range falls also has an effect on the inconvenience/productivity loss experienced by the Department of Health & Wellness institutions concerned. Therefore, the demerit points accrued (perhaps leading to the imposition of sanctions) need to reflect this fact. The factors that ultimately influence the sanction are given below:

28.1.9 Time definitions:

28.1.10 Low Times: These are the following times on all days

<b>WESTERN CAPE GOVERNMENT: HEALTH</b> DIRECTORATE: SUPPLY CHAIN (INFRASTRUCTURE SOURCING) BID OPENED 11:00	
<b>2023-08-07</b>	
1).....	2).....
SIGNED	SIGNED

**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

- 28.1.11 Before 05h00 and After 20h00
- 28.1.12 Shoulder Times: These are the following times on all days
- 28.1.13 After 05h00 and before 07h00
- 28.1.14 After 16h00 and before 20h00 and
- 28.1.15 All times that are not:- low times, on weekends and public holidays.
- 28.1.16 High Times: These are all times that are not Low Times or are not Shoulder Times
- 28.1.17 All weekdays (that are not public holidays)
- 28.1.18 After 07h00 and before 16h00
- 28.1.19 Time of day Weightings:
- 28.1.20 Production facilities such as the following rely heavily on steam availability to maintain productivity.
- 28.1.21 The laundry and the CSSD (Central Sterilised Supply Department).
- 28.1.22 Any disruption in the steam service can quickly disrupt the process and result in the whole workforce being sent home with the concomitant loss of one day's productivity.
- 28.1.23 This lack of productivity can have a serious knock-on effect as linen and sterilised instruments become scarce.
- 28.1.24 The following Time-of-day weightings are to be applied to the unadjusted demerit points:
- 28.1.25 Low time Time-of-day Weighting 1.0
- 28.1.26 Shoulder time Time-of-day Weighting 2.0
- 28.1.27 High time Time-of-day Weighting 4.0
- 28.1.28 The following Pressure factors are to be applied: The time (in minutes) that the steam delivery pressure falls within one of the following zones is multiplied by the following Steam Pressure Adjustment Factor:
- 28.1.29 For pressures above 800 kPa (gauge) the SPA Factor is 0.00
- 28.1.30 For pressures above 700 kPa (gauge) but below 800 kPa (gauge) the SPA Factor is 0.10
- 28.1.31 For pressures above 600 kPa (gauge) but below 700 kPa (gauge) the SPA Factor is 0.20



**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

- 28.1.32 For pressures above 500 kPa (gauge) but below 600 kPa (gauge) the SPA Factor is 0.40
- 28.1.33 For pressures above 400 kPa (gauge) but below 500 kPa (gauge) the SPA Factor is 0.80
- 28.1.34 For pressures below 400 kPa (gauge) the SPA Factor is 1.00
- 28.1.35 One Time-of-day Adjusted Demerit Point (TODADP) accrues for every minute that the steam range pressure falls below the required pressure (calculated from the first moment the pressure falls below the required figure) multiplied by the Time of Day Weighting.
- 28.1.36 For Example:
- 28.1.37 Example No. 1: Thirty-five minutes outage (pressure between 400 and 500 kPa) at 10h00 on a working Friday: Time over 30 minutes: Duration :35 unadjusted demerit points
- 28.1.38 the SPA Factor is 0.8
- 28.1.39 Duration: 35 Unadjusted Demerit Points
- 28.1.40 High time: Time of Day Adjustment Factor: 4
- 28.1.41 Time of Day adjusted Demerit Points (TODADP) =  $0.8 \times 35 \times 4 = 112$  Time of Day Adjusted Demerit Points.
- 28.1.42 Example No. 2: Thirty-five minutes' outage at 21h00 on a working Friday, Steam pressure = 650 kPa
- 28.1.43 the SPA Factor 0.2
- 28.1.44 Duration : 35 Unadjusted Demerit Points
- 28.1.45 Low time: Time of Day Adjustment Factor: 1.0
- 28.1.46 TODAD Pts =  $0.2 \times 35 \times 1 = 7$  Time of Day adjusted Demerit Points
- 28.1.47 Example No. 3: Thirty-five minutes' outage at 17h00 on a working Friday, steam pressure 550 kPa
- 28.1.48 the SPA Factor 0.4
- 28.1.49 Duration: 35 Unadjusted Demerit Points
- 28.1.50 Shoulder Time: Time of Day Adjustment Factor: 2.0
- 28.1.51 TODADP's =  $0.4 \times 35 \times 2 = 28$  Time of Day Adjusted Demerit Points.

**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

- 28.1.52 Time of Day Adjusted Demerit Points (TODADP) shall be adjusted according to the following Maturity related weighting rules:
- 28.1.53 Maturity Weighting Factors are included for the benefit of contractors that are new to the site and have not been active at the site during the previous contract period leading up the date of acceptance of bid: Contractors that might enjoy back-to-back contracts have experience at the site and their maturity weighting in is one point three (1.3)
- 28.1.54 Introduction Weightings for new incumbents: First full year of contract:
- 28.1.55 During the first month of operation: Maturity Weighting Factor: 0.5
- 28.1.56 During the second month of operation: Maturity Weighting Factor: 0.6
- 28.1.57 During the third month of operation: Maturity Weighting Factor: 0.7
- 28.1.58 During the fourth of operation: Maturity Weighting Factor: 0.8
- 28.1.59 During the fifth month of operation: Maturity Weighting Factor: 0.9
- 28.1.60 During the sixth, seventh, eighth, ninth, tenth, eleventh and twelfth month of operation: Maturity Weighting Factor: 1.0
- 28.1.61 During the second year of contract: All twelve months are to have a Maturity Weighting Factor of 1.2
- 28.1.62 During the third year of contract: All twelve months are to have a Maturity Weighting Factor of 1.3
- 28.1.63 Time-of-Day Adjusted Demerit Points (TODADP) will attract Maturity Weightings to produce the Time Adjusted Demerit Points (TADP) according to the following rule:
- 28.1.64 The Time-of-Day Adjusted Demerit Point (TODADP) is multiplied by the Maturity Weighting Factor to produce the Time Adjusted Demerit Point (TADP).
- 28.1.65 For Example, a pressure of 520 kPa of 35 minutes during a high time of day
- 28.1.66 During the first month of operation
- 28.1.67 Pressure Adjustment factor: = 0.4
- 28.1.68 Duration of Outage minutes= 35
- 28.1.69 Time-of Day Adjustment= 4
- 28.1.70 Maturity Weighting= 0.5
- 28.1.71 Time Adjusted Demerit Point =  $0.4 \times 4 \times 35 \times 0.5 = 28$  pts

**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

- 28.1.72 During the seventh month of operation
- 28.1.73 Pressure Adjustment factor: = 0.4
- 28.1.74 Duration of Outage minutes= 35
- 28.1.75 Time-of Day Adjustment= 4
- 28.1.76 Maturity Weighting= 0.9
- 28.1.77 Time Adjusted Demerit Points =  $0.4 \times 4 \times 35 \times 1.0 = 56$  pts
- 28.1.78 During the third year of operation
- 28.1.79 Pressure Adjustment factor: = 0.4
- 28.1.80 Duration of Outage minutes= 35
- 28.1.81 Time-of Day Adjustment= 4
- 28.1.82 Maturity Weighting= 1.3
- 28.1.83 Time Adjusted Demerit Points =  $0.4 \times 4 \times 35 \times 1.3 = 72.8$  pts
- 28.1.84 All Time Adjusted Demerit Points will be summed for the period (12 months over the first year, 6-month cycles for subsequent years) and will be known as the Accumulated Adjusted Demerit Points (AADP) for the summing period.
- 28.1.85 At the end of the first 12-month period and at the ends of the subsequent six month cycles any Accumulated Adjusted Demerit Points (AADP) will be reduced by the Primary Rebate as determined in the clause below and will be known as the Net Accumulated Adjusted Demerit Points (NAADP)
- 28.1.86 The Primary Rebate is the following:
- 28.1.87 For the first year of the contract: 1 000 AADP
- 28.1.88 For subsequent six-month cycles: 200 AADP
- 28.1.89 Net Accumulated Adjusted Demerit Points (NAADP) are then scaled by a Scaling Factor defined elsewhere to produce the Overall Adjusted and Scaled Demerit Points (OAASDP) which translate directly into SA Rand for penalty or sanction determination as per this section.
- 28.1.90 The Scaling Factor is the following figure:
- 28.1.91 For the first year of the contract R 1000.00 per NAADP
- 28.1.92 For subsequent six-month cycles R1 200.00 per NAADP

**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

- 28.1.93 Any "unused" Demerit point allowances and rebates are non-transferable and may not be carried down to any following periods as a "credit".
- 28.1.94 Every fresh period is started *tabula rasa*, except for the requirement to pay back the penalties of the previous period.
- 28.2 **Lentegeur Hospital Site**
- 28.2.1 Penalties will definitely be applied in the event that the contractor falls foul of their service supply duties and obligations under this bid. It must be fully understood that the Lentegeur Laundry relies very heavily on the adequate availability of steam for its continued operation. The steam service is not merely a "nice to have" service: It's a '**must have**' service.
- 28.2.2 Without an adequate and proper steam supply the main operating activities at the laundry grind to a halt in a short time. This is a very *serious matter* and therefore the **PENALTIES** are designed to be in keeping with the losses experienced by the Department of Health & Wellness in the event of a steam service outage.
- 28.2.3 In the event that the Department of Health & Wellness at the Laundry at Lentegeur site experience problems with the steam supply service penalties shall accrue on a demerit points system (ultimately translated into South African Rand) that shall be applied as a sanction against the contractor (amongst other possible remedies such as contract cancellation in extreme cases). The demerit system is used in order that a fair SA Rand value penalty can be tailored in a manner that is commensurate with the losses suffered by the laundry and allows a certain leeway for a new contractor, particularly at the beginning of a new the contract period, when the contractor is taking over equipment that has (perhaps) been under the control and maintenance of others and recognises the relation between the available capacity of the equipment and the likely maximum demand at any one time.
- 28.2.4 In the event that any proven monetary, sanctions are applied against the contractor (for failing to provide the steam service as required) the ZAR value of any sanction will, at the discretion of the Department of Health & Wellness, be recovered either from the surety or will be set off against invoices for steam consumed on the following basis:
- 28.2.4.1 During the first 12 months of the contract the demerit points shall be accumulated (accrued) and the sum of all demerits at the end of the 12-month period shall be adjusted according to the provisions of 28.2.4.2
- 28.2.4.2 In the event that any sanction appertaining to the first 12 months of the contract is to be set off against the future steam invoices the sanction accrued in the first 12-month period will be set off against invoices otherwise payable for steam amortised as six equal penalties applied over the following six months.

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- 28.2.5 After the first 12 months of the contract demerits will be recorded on a six-month cyclical basis and the final tally shall be adjusted according to the provisions of 28.2.6
- 28.2.6 Any six-month cycle sanction will, if not claimed from the surety, be set off against invoices for steam delivered in six equal penalties applied over the following six months unless the six-month cycle is the last cycle of the contract in which case
- 28.2.7 The final six-month sanction will, if not claimed from the surety, be accounted for in one sum in the final account.
- 28.2.8 Unadjusted demerit points shall accrue at all times where the contractor has failed to maintain the steam range pressure at or over 700 kPa **gauge** pressure. Demerit points shall not accrue under the following conditions:
- 28.2.8.1 A pre-programmed orderly shutdown of the steam range is approved by the affected institution and the steam range shutdown is properly planned with documentary evidence in the form of minutes from the shutdown. A 72 hr meeting will be lodged with Department of Health's & Wellness Director: Facility Management Laundry Services and the Laundry manager at Lentegeur Laundry.
- 28.2.8.2 The contractor will be responsible to ensure that electronic recorded data, i.e. steam pressures, make-up water flows are stored and available to the department for the full (3 year) contract period.
- The Lentegeur Laundry load averages between 4 to 7 tonnes per hour.
- 28.2.9 96 hours have elapsed since the contractor has given notification and full details that an insuperable impediment outside their control (but within the control of the Department of Health & Wellness) that has prohibited the physical delivery of fuel to the boiler house. Issues such as physical barriers qualify for this exclusion, but the mere failure to provide sufficient on-site storage of fuel or the failure to garner or secure adequate supplies of the correct type of fuel to keep the boilers operating at the required output do not qualify.
- 28.2.10 The duration of an outage is of no more than thirty consecutive minutes providing that any return of the pressure to above 700 kPa of shorter duration than 10 minutes shall be deemed not to have broken the outage.
- 28.2.11 The contractor is not adequately supplied by the Department of Health & Wellness with the following services:
- 28.2.12 Electric power

**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

- 28.2.13 Excepting that the contractor is permitted a suitable time to reset and restart machinery following a short power interruption during changeover from normal to standby power and visa versa
- 28.2.14 Water for make-up purposes except that:
- 28.2.15 the contractor is permitted a suitable time to reset and restart machinery following a short interruption during changeover from normal to standby water supplies from the tower and visa versa
- 28.2.16 The implications to the Department of Health & Wellness of any steam service outage are a strong function of the actual time of day and the day of the week on which the outage occurred. Also, the pressure to which the steam range falls also has an effect on the inconvenience/productivity loss experienced by the Lentegeur Laundry concerned. Therefore, the demerit points accrued (perhaps leading to the imposition of sanctions) need to reflect this fact. The factors that ultimately influence the sanction are given below:
- 28.2.17 Time definitions:
- 28.2.18 Low Times: These are the following times on all days that the laundry is in operation
- 28.2.19 Before 05h00 and after 20h00
- 28.2.20 Shoulder Times: These are the following times on all days that the laundry is working
- 28.2.21 After 05h00 and before 07h00
- 28.2.22 After 16h00 and before 20h00 and High Times: These are all times that are weekdays (including public holidays that the laundry is working)
- 28.2.23 After 07h00 and before 16h00
- 28.2.24 Weekend days that the laundry is working overtime.
- 28.2.25 After 07h00 and before 16h00
- 28.2.26 Time of Day Weightings:
- 28.2.27 Production facilities such as the following rely heavily on steam availability to maintain productivity.
- 28.2.28 Any disruptions at the Laundry in the steam service can quickly disrupt the process and result in the whole workforce being sent home with the concomitant loss of one day's productivity.

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- 28.2.29 This lack of productivity can have a serious knock-on effect as linen becomes scarce.
- 28.2.30 The following Time-of-Day weightings are to be applied to the Unadjusted Demerit Points:
- 28.2.31 Low time Time-of-Day Weighting= 1.0
- 28.2.32 Shoulder time Time-of-Day Weighting= 2.0
- 28.2.33 High time Time-of-Day Weighting= 4.0
- 28.2.34 The following pressure factors are to be applied: The time (in minutes) that the steam delivery pressure falls within one of the following zones is multiplied by the following Steam Pressure Adjustment Factor:
- 28.2.35 For pressures above 700 kPa (gauge) the SPA Factor is 0.00
- 28.2.36 For pressures above 600 kPa (gauge) but below 700 kPa (gauge) the SPA Factor is 0.10
- 28.2.37 For pressures above 500 kPa (gauge) but below 600 kPa (gauge) the SPA Factor is 0.30
- 28.2.38 For pressures above 400 kPa (gauge) but below 500 kPa (gauge) the SPA Factor is 0.60
- 28.2.39 For pressures below 400 kPa (gauge) the SPA Factor is 1.00
- 28.2.40 One Time-of-Day Adjusted Demerit Point (TODADP) accrues for every minute that the steam range pressure falls below the required pressure (calculated from the first moment the pressure falls below the required figure) multiplied by the Time-of-Day Weighting.
- 28.2.41 For Example:
- 28.2.42 Thirty-five minutes outage (steam pressure between 400 and 500 kPa) at 10h00 on a working Friday: Time over 30 minutes: Duration: 35 unadjusted demerit points
- 28.2.43 the SPA Factor is= 0.6
- 28.2.44 Duration: 35 Unadjusted Demerit Points
- 28.2.45 High time: Time-of-Day Adjustment Factor: = 4
- 28.2.46 Time of Day adjusted Demerit Points (TODADP) =  $0.6 \times 35 \times 4 = 84$  Time-of-Day Adjusted Demerit Points.



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- 28.2.47 Time of Day Adjusted Demerit Points (TODADP) shall be adjusted according to the following Maturity related weighting rules:
- 28.2.48 Maturity Weighting Factors are included for the benefit of contractors that are new to the site and have not been active at the site during the three-year period leading up the date of acceptance of bid: Contractors that enjoy back-to-back contracts have experience at the site and their maturity weighting is one point three (1.3)
- 28.2.49 Introduction Weightings for new incumbents: First full year of contract:
- 28.2.50 During the first month of operation: Maturity Weighting Factor: 0.5
- 28.2.51 During the second month of operation: Maturity Weighting Factor: 0.6
- 28.2.52 During the third month of operation: Maturity Weighting Factor: 0.7
- 28.2.53 During the fourth of operation: Maturity Weighting Factor: 0.8
- 28.2.54 During the fifth month of operation: Maturity Weighting Factor: 0.9
- 28.2.55 During the sixth, seventh, eighth, ninth, tenth, eleventh and twelfth month of operation: Maturity Weighting Factor: 1.0
- 28.2.56 During the second year of contract: All twelve months are to have a Maturity Weighting Factor of 1.2
- 28.2.57 During the third year of contract: All twelve months are to have a Maturity Weighting Factor of 1.3
- 28.2.58 Time-of-Day Adjusted Demerit points (TODADP) will attract Maturity Weightings to produce the Time Adjusted Demerit Points (TADP) according to the following rule:
- 28.2.59 The Time-of-Day Adjusted Demerit Point (TODADP) is multiplied by the Maturity Weighting Factor to produce the Time Adjusted Demerit Point (TADP).
- 28.2.60 For example, a pressure of 520 kPa of 35 minutes during a high time-of-day.
- 28.2.61 During the first month of operation
- 28.2.62 Pressure Adjustment factor: = 0.3
- 28.2.63 Duration of Outage minutes= 35
- 28.2.64 Time-of-Day Adjustment= 4
- 28.2.65 Maturity Weighting= 0.5
- 28.2.66 Time Adjusted Demerit Point =  $0.3 \times 4 \times 35 \times 0.5 = 21 \text{pts}$

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- 28.2.67 During the seventh month of operation
- 28.2.68 Pressure Adjustment factor: = 0.3
- 28.2.69 Duration of Outage minutes= 35
- 28.2.70 Time-of-Day Adjustment = 4
- 28.2.71 Maturity Weighting= 0.9
- 28.2.72 Time Adjusted Demerit Points =  $0.4 \times 4 \times 35 \times 1.0 = 42$  pts
- 28.2.73 During the third year of operation
- 28.2.74 Pressure Adjustment factor: = 0.3
- 28.2.75 Duration of Outage minutes= 35
- 28.2.76 Time-of-Day Adjustment= 4
- 28.2.77 Maturity Weighting= 1.3
- 28.2.78 Time Adjusted Demerit Points =  $0.4 \times 4 \times 35 \times 1.3 = 54.6$  pts
- 28.2.79 At the end of the first 12-month period and at the ends of the subsequent six month cycles any all Time Adjusted Demerit Points will be summed for the period (12 months over the first year, 6 months for subsequent years) and will be known as the Accumulated Adjusted Demerit Points (AADP) for the period.
- 28.2.80 The Accumulated Adjusted Demerit Points (AADP) will be reduced by the Primary Rebate as determined in the clause below and will be known as the Net Accumulated Adjusted Demerit Points (NAADP)
- 28.2.81 The Primary Rebate is the following:
- 28.2.82 For the first year of the contract: 500 AADP
- 28.2.83 For subsequent six-month cycles: 150 AADP
- 28.2.84 The Net Accumulated Adjusted Demerit Points (NAADP) are then scaled by a Scaling Factor defined elsewhere to produce the Overall Adjusted and Scaled Demerit Points (OAASDP) which translate directly into SA Rand for sanction or penalty determination as per this section.
- 28.2.85 The Scaling Factor is the following figure:
- 28.2.86 For the first year of the contract R250.00 per NAADP
- 28.2.87 For subsequent six-month cycles R300.00 per NAADP

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28.2.88 Any "unused" Demerit Points allowances and rebates are non-transferable and may not be carried down to any following periods as a "credit".

28.2.89 Every fresh period is started *tabula rasa*, except for the requirement to pay back the penalties of the previous period.

**28.3 WESTERN CAPE COLLEGE OF NURSING PREMISES**

28.3.1 Penalties will definitely be applied in the event that the contractor falls foul of their service supply duties and obligations under this bid. It must be fully understood that the Western Cape College of Nursing relies very heavily on the adequate availability of steam for its continued operation, especially for the preparation of meals and hot water for the students to shower and bath. The steam service is not merely a "nice to have" service: It's is a **'must have'** service.

28.3.2 In the event that the Western Cape College of Nursing site experience problems with the steam supply, service penalties shall accrue on a flat rate system that shall be applied as a sanction against the contractor (amongst other possible remedies such as contract cancellation in extreme cases).

28.3.3 To allow for a certain leeway for a new contractor, particularly at the beginning of a new contract period, when the contractor is taking over equipment that has (perhaps) been under the control and maintenance of others the penalty per hour for the first year of operation will be R 2 000.00 per hour when there is a loss of steam supply to the facility. After the first year the penalty will be R 4 000.00 per hour.

**29 ACCESS TO SITE**

29.1 The Department of Health & Wellness reserves the right of access to any of its establishments of any individual, any group of individuals or any representatives of any contractor at any time.

29.2 The Department of Health & Wellness reserves the right to reclaim emergency control (without notice) of its boiler houses at Tygerberg, Lentegeur and Western Cape College of Nursing in the event that the Department of Health & Wellness experiences serious steam supply problems or believes that serious steam supply problems are imminent.

29.3 The Department of Health & Wellness reserves its right of redress or remedies against the contractor in the event that the Department of Health & Wellness reclaims emergency control over its machinery and equipment.

**30 TEMPORARY SUSPENSION OF PENALTY CLAUSE**

30.1 Should unforeseeable and unavoidable events solely attributable to obstruction by the Department

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- of Health & Wellness to prevent fuel deliveries to site, the Contractor is to:
- 30.1.1 Immediately and formally inform the Department of Health & Wellness of the nature of the obstruction and thenceforth.
- 30.1.2 The accumulation of demerit points shall halt *only* 96 hours after the first full, detailed report by the contractor of an obstruction was formally received in writing by the Chief Executive Officer at Tygerberg Hospital and the Chief Engineer : Technical Services at Tygerberg Hospital (in the case of the Tygerberg Hospital Site) or the Director: Facilities Management at Karl Bremer Hospital and the Lentegeur and Tygerberg Laundry Managers (in the case of the Lentegeur and Tygerberg Laundries) or the Deputy Director: Western Cape College of Nursing and maintenance manager (in the case of the Western Cape College of Nursing Site) and shall only remain halted until the obstruction is cleared.

### **31 SURETY**

- 31.1 The successful bidder is to provide a surety for the duration of this contract in favour of Western Cape Department of Health & Wellness for the purposes of guaranteeing their performance as set out in this contract, including but not limited to the requirement to maintain all the equipment in a satisfactory operational condition, not to allow the equipment and machinery's condition to deteriorate and to deliver adequate steam of adequate quality throughout the duration of this contract. The surety is intended to guarantee the following:
- 31.2 Safeguard the condition of machinery (assets) entrusted to the care of the contractor.
- 31.3 Safeguard the payment of any imposed penalties accumulated during the contract in an attempt to offset losses suffered as a result of steam service failure.
- 31.4 The amount of the surety to cover the assets at the Tygerberg site and possible sanctions is R 6 000 000.00 (Six million Rand) and the amount of the surety to cover the assets at the Lentegeur site and Western Cape College of Nursing and possible sanctions is an additional R 1 500 000.00 (one million five hundred thousand Rand) per site.
- 31.5 Bidders must supply in writing from their bank or any accredited financial institution proof of surety. Bidder to provide proof of surety within 7 working days after award.

## **ANNEXURE: B**

### **NOTES TO BIDDERS: Tygerberg Site**

#### **1. Overall Base load:**

- a) This load represents the basic underlying losses of the connected steam range and more or less reflects the minimum permanently connected load. This base load is affected by
- (1) Ambient outside air temperature and
  - (2) Outside wind speed
  - (3) Rain or no rain
  - (4) The lowest value is probably about 4 tonnes steam per hour with low wind speed in summertime
  - (5) The highest value is probably about 8 tonnes per hour with a breeze blowing in wintertime
  - (6) The implication of rainy weather probably adds a further two tonnes per hour to the above figures.

#### **2. Overall Semi-Variable and Variable loads:**

- a) The laundry which mostly works office hours, but is often known to work overtime on weekends and public holidays, the load consisting of a
- (1) Base load of about 2 tonnes (may decrease to 1 tonne) per hour and a
  - (2) Variable load of 5 tonnes per hour with an
  - (3) Additional Peak (start-up) load of about 3 tonnes per hour.
- b) The CSSD (Central Sterile Supply Department) normally operates office hours but may work overtime as well and has the following approximate steam demand:
- (1) Base load of about 500 kg per hour and a
  - (2) Variable load of 3 tonnes per hour with an
  - (3) Additional Peak (start-up) load of about 1 tonne per hour.
- c) The Air conditioning department that is a 24-hr service and the demand being highly seasonal and following to a large extent the insulation and outside air temperature.
- (1) Summer Conditions:
    - (a) Base load of about 1 tonne per hour and
    - (b) A variable load of about 400kg/hr per degree C of outside air temp below 28 °C.
  - (2) Winter Conditions:
    - (a) Base load of about 2 tonne per hour and
    - (b) A variable load of about 800 kg/hr per degree C of outside air temp below 24 °C
- d) The main kitchen used for the preparation of meals for the patients:
- (1) Base load of about 300 kg/hr and a
  - (2) Variable load of about 3 tonnes per hour for a couple of hours before meal times.

- e) Domestic hot water generation for bathing showering, wash-downs and other general domestic consumption:
  - (1) Base load of about 500 kg/hr and a
  - (2) A variable load of about 2 tonnes per hour and
  - (3) An additional peak of about 2 tonnes per hour at about 10 am lasting for about 2 hours
- f) Steam is sold by the hospital to the medical faculty of the University of Stellenbosch
  - (1) Although reliable figures are not available it may be assumed that the historical average is approximately 1 tonne per hour consisting of
    - (a) A Base load of about 500 kg/hr and a
    - (b) A variable load of about 2 tonnes per hour.

## **II. EQUIPMENT**

### **A. BUILDINGS:**

1. The old original Oil Fired Boiler House approximately 325 square metres (27 x 12 m) housing
  - a) The oil fired boilers and
  - b) The three hot well tanks
2. The newer Coal Fired Boiler House approximately 345 square metres complete with partial basement housing
  - a) The coal fired boilers and
  - b) The coal storage bin and
  - c) The ash storage bin and
  - d) All the material handling systems and
  - e) The round hot well tank

### **B. BOILERS:**

1. Oil fired boilers: Five John Thompson Multipac boilers are housed in the original boiler house of which two are serviceable. The other unserviceable boilers are not economically repairable.
  - a) OIL fired boiler F1 (**out of service**)
    - (1) Nominal capacity (tonnes/hr).....10
    - (2) Boiler Number:.....FI
    - (3) Government Boiler Number:.....75 378
    - (4) Manufacturer's Factory Number:..... .7618
    - (5) Lloyds Test Date:..... 23/3/67
    - (6) Burner:.....Hamworthy AW

b) OIL fired boiler F2 (**out of service**)

- (1) Nominal capacity (tonnes/hr):.....10
- (2) Boiler Number:.....F2
- (3) Government Boiler Number:.....75 379
- (4) Manufacturer's Factory' Number:.....7 619
- (5) Lloyds Test Date:.....27/3/67
- (6) Burner:.....Hamworthy AW 2

c) OIL fired boiler F3 (**out of service**)

- (1) This boiler is permanently not available for service
- (2) Boiler Number:.....F3
- (3) Government Boiler Number:.....75 381
- (4) Manufacturer's Factory Number:.....7 520
- (5) Lloyds Test Date:.....3/4/67
- (6) Burner:.....Hamworthy B12

d) OIL fired boiler F4

- (1) Nominal capacity (tonnes/hr):.....10
- (2) Boiler Number:.....F4
- (3) Government Boiler Number:.....75 382
- (4) Manufacturer's Factory Number.....7 622
- (5) Lloyds Test Date:.....12/7/67
- (6) Burner:.....Hamworthy B12

e) OIL fired boiler F5

- (1) Nominal capacity (tonnes/hr):.....10
- (2) Boiler Number.....F5
- (3) Government Boiler Number:.....75 380
- (4) Manufacturer's Factory Number:.....7 621
- (5) Lloyds Test Date:.....10/7/67
- (6) Burner:.....Hamworthy AW



2. Coal Fired boilers: Three John Thompson Afripac Mk 4 boilers are situated in an additional boiler house that is contiguous with the original boiler house.

a) Coal fired boiler .....C1  
 (1) Nominal capacity (tonnes/hr):.....10  
 (2) Boiler Number:.....C1  
 (3) Government Boiler Number:.....C T B 956  
 (4) Manufacturer's Factory Number:.....72-736  
 (5) Original Test Date:.....20/11/86  
 (6) Model:.....491

b) Coal fired boiler.....C2  
 (1) Nominal capacity (tonnes/hr):.....10  
 (2) Boiler Number:.....C2  
 (3) Government Boiler Number:.....C T B 957  
 (4) Manufacturer's Factory Number:.....72-738  
 (5) Original Test Date: .....26/11/86  
 (6) Model:.....491

c) Coal fired boiler.....C3  
 (1) Nominal capacity (tonnes/hr): .....10  
 (2) Boiler Number:.....C3  
 (3) Government Boiler Number:.....C T B 958  
 (4) Manufacturer's Factory Number:.....72-739  
 (5) Original Test Date:.....9/12/86  
 (6) Model:.....491

**C. HOT WELLS: CONDENSATE RECEIVERS:**

1. In the Oil Boiler House:

a)North-most tank (6 250 litres) measuring

(1) 2 500 mm long by

(2) 2 500 mm wide by

(3) 1 000 mm high

b)Centre tank (6 250 litres) measuring

**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

- (1) 2 500 mm long by
- (2) 2 500 mm wide by
- (3) 1 000 mm high
- c) South-most (6 250 litres) tank measuring
  - (1) 2 500 mm long by
  - (2) 2 500 mm wide by
  - (3) 1 000 mm high

2. In the Coal boiler house:

- a) One round tank (20 000 litres) measuring
  - (1) 2 360 mm diameter by
  - (2) 4 880 mm long

D. METERS:

1. Boiler Feed-water meters

- a) All boilers are fitted with 50mm feed water meters
- b) The raw make-up water line is fitted with a water meter
- c) Wash water

2. Steam meters

a) Oil Fired boilers F1 through to F5:

- (1) These boilers are fitted with individual orifice plate flow meters.
- (2) Pressure transmitters shall be installed across the orifice plate, calibrated and connected to the electronic data capturing system. Contractor's installation
- (3) All items in D2 (a) 1 & 2 above are of doubtful use as the system is currently not in use and their serviceability is unknown.

b) Coal Boilers C1 through to C3:

- (1) These boilers are fitted with individual orifice plate flow meters.
- (2) Pressure transmitters shall be installed across the orifice plate, calibrated and connected to the electronic data capturing system. Contractor's installation

c) Main Steam Line:

- (1) One orifice plate is installed on the main steam line.
- (a) Pressure transmitters shall be installed across the orifice plate, calibrated and connected to the electronic data capturing system. Contractor's installation
- (2) The serviceability of the above items under D.2.1 & 2 are unknown.

E. MATERIAL HANDLING SYSTEMS:

1. Coal:

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- a) Coal is lifted and scooped from the sides of the coal bin into the centre by means of a mechanically assisted manual shovel.
  - b) The coal is lifted from the bottom of the coal bin to basement level by two augers.
  - c) The coal is further lifted vertically by a vertical conveyer.
  - d) The coal is further conveyed horizontally by another conveyer.
  - e) Finally, the coal drops down to the automatic stokers of boilers C1, C2 and C3.
2. Ash:
- a) Ash drops off the chain grate and through a chute that passes through into the basement.
  - b) The chutes deposit the ash onto a submerged belt conveyer.
  - c) The submerged belt conveyer conveys the ash to a hopper at the end.
  - d) The hopper is periodically hoisted on a vertical hoist and the ash tipped into a holding chute.
  - d) The gated holding chute discharges ash into a waste skip for periodic removal from site.

**NOTES TO BIDDERS: Lentegeur Site**

**1. Overall Base load:**

- a) This steam range is reasonably contained and only supplies the laundry with steam. The base load is probably about 2000 kg of steam per hour and is affected by the following:
  - (1) Ambient outside air temperature and
  - (2) Outside wind speed
  - (3) Rain or no rain

**2. Overall Semi-Variable and Variable loads:**

- a) The laundry which mostly works office hours but is often known to work overtime on weekends and public holidays, the load consisting of a:
  - (1) Base load of about 2 tonnes per hour and a
  - (2) Variable load of 2 tonnes per hour with an
  - (3) Additional Peak (start-up) load of about 1 tonne per hour.

**II. EQUIPMENT**

**A. BUILDINGS:**

1. The Boiler House is approximately 900 square metres (30 x 30 m) housing
  - (a) The coal fired boilers and
  - (b) The coal storage bin and
  - (c) All the material handling systems and

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(d) The round hot well tanks

**B. BOILERS:**

1. Coal Fired boilers: Three off John Thompson Afripac Mk 3 boilers are situated in the boiler house.

a) Coal fired boiler.....West-most

- |                                    |         |
|------------------------------------|---------|
| (1) Nominal capacity (tonnes/hr):  | 4       |
| (2) Government Boiler Number:      | CTB 844 |
| (3) Manufacturer's Factory Number: | 72509   |
| (5) Date of Manufacture:           | 1983    |
| (6) Model:                         | 351     |

b) Coal fired boiler.....Centre-most

- |                                    |         |
|------------------------------------|---------|
| (1) Nominal capacity (tonnes/hr):  | 4       |
| (2) Government Boiler Number:      | CTB 843 |
| (3) Manufacturer's Factory Number: | 72508   |
| (5) Date of Manufacture:           | 1983    |
| (6) Model:                         | 351     |

c) Coal fired boiler .....East-most

- |                                    |         |
|------------------------------------|---------|
| (1) Nominal capacity (tonnes/hr):  | 10.5    |
| (3) Manufacturer's Factory Number: | 74447   |
| (4) Date of Manufacture:           | 2012    |
| (5) Model:                         | TU 1050 |

**C. HOT WELLS: CONDENSATE RECEIVERS:**

1. In the boiler house:

a) Two cylindrical tanks (5 000 litres)

**D. METERS:**

1. All existing meters are to be re-calibrated.

**E. MATERIAL HANDLING SYSTEMS:**

1. Coal:

a) Coal is delivered at ground level by the coal truck. There are three hoppers that feed three chutes.

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- b) In each hopper the coal is lifted from the bottom of the coal bin to high above the boilers by its dedicated screw conveyer. A second coal conveyer is fitted as a standby measure.
  - c) Finally the coal drops down to the automatic stokers of boilers of East, Centre and West-most boilers.
2. Ash:
- a) For the two smaller boilers; Ash drops off the chain grate and is collected in an ash-cart and is manually removed to an ash tip.
  - b) The newer boiler is fitted with an ash conveyer. Ash drops off the chain grate onto a submerged conveyer and is then deposited into an ash tip.

**NOTES TO BIDDERS: Western Cape College of Nursing Site**

**1. Overall Base load:**

- a) This steam is supplied to the kitchen and various calorifiers that supply hot water to the students for showering. The base load is probably between 150 to 250 kg of steam per hour and is affected by the following:
  - (1) Ambient outside air temperature and
  - (2) Outside wind speed
  - (3) Rain or no rain

**2. Overall Semi-Variable and Variable loads:**

- a) The College which operates 24 hours 7 days per week has a load consisting of a:
  - (1) An estimated base load between 150 to 250 kg per hour and a
  - (2) Variable load of 200kg per hour with an
  - (3) Additional Peak (start-up) load of about 150kg per hour.

**II. EQUIPMENT**

**A. BUILDINGS:**

1. The Boiler House is approximately 72 square metres (8.5m x 8.5 m) housing
  - (a) The HFO fired boilers and
  - (b) The water softeners and
  - (c) The square hot well tanks

**B. BOILERS:**

1. Coal Fired boilers: Two off John Thompson REDIPAC TR100 boilers are situated in the boiler house.
  - a) HFO fired boiler.....
    - (1) Nominal capacity (kg/hr): 1000
    - (2) Government Boiler Number:
    - (3) Manufacturer's Factory Number: 74531

<b>WESTERN CAPE GOVERNMENT: HEALTH</b>	
DIRECTORATE: SUPPLY CHAIN	
(INFRASTRUCTURE SOURCING)	
BID OPENED 11:00	
<b>2023-08-07</b>	
1).....	2).....
SIGNED	SIGNED

**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

(5) Date of Manufacture: 2017

(6) Model: REDIPAC TR100

b) HFO fired boiler.....

(1) Nominal capacity (kg/hr): 1000

(2) Government Boiler Number:

(3) Manufacturer's Factory Number: 74481

(5) Date of Manufacture: 2017

(6) Model: REDIPAC TR100

**C. HOT WELL TANKS: CONDENSATE RECEIVERS:**

1. In the boiler house:

a) Two square tanks (1 000 litres)

**D. METERS:**

1. All existing meters are to be re-calibrated

**PLEASE NOTE: THIS CONTRACT WILL BE AWARDED IN WHOLE.**

(below figures were the average consumption over the past three-year period and is not guaranteed)

Tygerberg Site: 57 000 tons/yr \*

Lentegeur Laundry: 10 000 tons/yr \*

Athlone WCCN: 2 000 tons/yr \*

**\*Steam consumptions (average, maximum & minimum over the last 3-year period)**

**Tygerberg Hospital**

**Average: 4 783 tons per month**

**Maximum: 12 392 tons per month (possible steam leak)**

**Second highest maximum: 5819 tons per month**

**Minimum: 2 202 tons per month**

**Lentegeur Laundry**

**Average: 834 tons per month**

**Maximum: 1068 tons per month**

**Minimum: 515 tons per month**

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### Western Cape College of Nursing

Average: 171.56 tons per month

Maximum: 226 tons per month

Minimum: 82.5 tons per month (holiday period)

**NB: The only avenue for the remuneration of the successful bidder is via the raising of steam, and payment. Therefore, the bidder is to include every cost associated with this contract and their profit in this rate per tonne of steam. No additional invoices will be entertained.**

#### APPORTIONMENT FOR ESCALATION PURPOSES:

SEE WCBD3/3/2

For Coal

D <sub>1</sub> .....	= 0._____	(Labour related)
D <sub>2</sub> .....	= 0._____	(Coal price related)
D <sub>3</sub> ...(This Index is capped at a maximum of 0.03)...	= 0._____	(HFO price related)
D <sub>4</sub> .....	= 0._____	(Boiler Maintenance related)
D <sub>5</sub> .....	= 0._____	(Electricity price Related)

Where R<sub>1</sub> is SEIFSA table C3.

Where R<sub>2</sub> is Coal fuel price related

Where R<sub>3</sub> is HFO fuel price related

Where R<sub>2</sub> & R<sub>3</sub> will be proven costs

Where R<sub>4</sub> is SEIFSA table K

NB: The Engineering department reserves the right to adjust the values and make-up of bidding rates in order to correct any imbalance in figures that do not reasonably reflect the relative costs of raising steam according to the two fuel types and components.

### **SPECIFICATION FOR THE SUPPLY OF DRY SATURATED STEAM TO TYGERBERG HOSPITAL, LENTEGEUR LAUNDRY, TYGERBERG LAUNDRY AND WESTERN CAPE COLLEGE OF NURSING**

#### **1 SCHEDULE OF STEAM SERVICE REQUIREMENTS**

- 1.1 The Tygerberg hospital and laundry steam consumption is scheduled for 8766 hours per annum (24/7) and except for planned or scheduled steam shutdowns (elsewhere described) the steam service shall be continuous throughout the year.
- 1.2 The Lentegeur boilers are required during the operation of the laundry which are usually factory hours, (steam is required at full capacity from 7H30 to 16h00. Thus it is



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envisaged that boiler room staff will be on site from 5:45 to 16H30 but from time to time the laundry works overtime outside of usual factory hours to catch up with backlogs.

- 1.3 The Western Cape College of Nursing steam consumption is scheduled for 8766 hours per annum (24/7) except for planned or scheduled steam shutdowns (elsewhere described) and end of year holiday periods the steam service shall be continuous throughout the year.
- 1.4 The implications of steam service outages vary widely according to the activities of the hospital and an attempt has been made to ensure that the penalty system is structured in a way that penalties are commensurate with the loss and or inconvenience likely to be suffered by the Department of Health & Wellness.

## **2 STEAM DELIVERY CONDITIONS**

### **2.1 Steam Pressure:**

#### **2.1.1 Tygerberg Hospital Boilers:**

2.1.1.1 The steam pressure as measured at the upstream tapping of the main steam line orifice plate shall be nominally 1000 kPa *gauge* pressure.

2.1.1.1.1 Although it is recognised that this is a *nominal* pressure and will be difficult to maintain precisely, the following guidelines are to be followed in terms of achieving the desired conditions:

2.1.1.1.2 Between 950 kPa and 1000 kPa ..... Excellent

2.1.1.1.3 Between 900 kPa and 950 kPa ..... Good

2.1.1.1.4 Between 850 and 900 kPa ..... Satisfactory

2.1.1.1.5 Between 800 kPa and 850 kPa .... Acceptable for short periods only

2.1.1.1.6 Below 800 kPa ..... Penalties attracted.

#### **2.1.2 Lentegeur Laundry & Western Cape College of Nursing Boilers:**

2.1.2.1 The steam pressure as measured at the main steam line shall be nominally 1000 kPa *gauge* pressure.

2.1.2.1.1 Although it is recognised that this is a *nominal* pressure and will be difficult to maintain precisely the following guidelines are to be followed in terms of achieving the desired conditions:

2.1.2.1.2 Between 900 kPa and 1000 kPa .....Excellent

2.1.2.1.3 Between 800 kPa and 900 kPa ..... Good

2.1.2.1.4 Between 750 kPa and 800 kPa Acceptable for short periods only

2.1.2.1.5 Below 750 kPa. Penalties attracted.

## 2.2 Dryness Fraction:

2.2.1 The dryness fraction (quality) of the steam shall be

2.2.1.1 98 % or better during periods under which there is little or no fluctuation of demand and

2.2.1.2 95 % or better during periods in which the demand is rising rapidly.

2.2.2 Dryness fraction shall be measured from time to time by the Department of Health & Wellness by disconnecting local condensate lines and measuring the condensate flow versus boiler output.

## 3 **ANTICIPATED SCHEDULE OF STEAM DEMAND**

### 3.1 **Tygerberg Hospital**

3.1.1 The envisaged steam demand is estimated hereunder. **This demand profile is not guaranteed** as the exact steam demand profile is determined by the requirement of the hospital and the impulses of the weather.

3.1.1.1 The steam consumption rate may be higher at some times and/or lower at other times. This is merely an attempt to place an order of magnitude on the demand that may need to be met.

3.1.1.2 The stack-up of worst-case scenarios would (according to the figures given hereunder) would indicate a peak steam demand of nearly 40 tonnes per hour at Tygerberg site and about 7 tonnes per hour at Lentegeur site.

3.1.1.3 The lowest steam demand will be entirely attributable to range losses and would be about 4 tonnes per hour at Tygerberg site and about 2.5 tonnes per hour at Lentegeur site.

3.1.1.4 No diversity is indicated in the figures given hereunder but the general experience is that

3.1.1.4.1 One 10-ton boiler is required on range to accommodate the laundry alone (usually during office hours unless the laundry is working overtime) at Tygerberg site and a minimum of 6 tonnes will be sufficient at the Lentegeur site (two 4 tonne boilers or the one 10 tonne boiler).

3.1.1.4.2 One 10 tonne boiler is required on range to accommodate the space heating requirements alone during the winter months at Tygerberg site.

3.1.1.4.3 Only one 10 tonne boiler is required on range in the quiet hours in the summer months at the Tygerberg site.

3.1.1.4.4 One 10 tonne boiler is required during the office (working) hours during the summer months to accommodate the CSSD and other office draw off at the Tygerberg site.

## **3.2 LENTEGEUR HOSPITAL SITE**

3.2.1 The Lentegeur Laundry is the only steam user on the hospital site with the following steam using equipment.:

3.2.1.1 Two off Continuous Batch Washers 9CBW)

3.2.1.2 Six off 40kg Girbau Washer Extractors

3.2.1.3 Two off 13kg Girbau Washer Extractors

3.2.1.4 Six off 20kg Speed Queen Tumble Dryers

3.2.1.5 Three off Kannegiessar Ironers

3.2.1.6 One off Rotary Press

3.2.1.7 One off Garment Finisher.

3.2.2 Currently one boiler online at this boiler house adequately supplies the connected load.

## **4 ANNUAL STEAM CONSUMPTION NOT GUARANTEED**

4.1 The annual steam estimated consumption at the Tygerberg site is *estimated* at about 57 000 (fifty seven thousand) tonnes, and the annual estimated steam consumption at the Lentegeur Laundry is *estimated* at 10 000 (ten thousand) tonnes with the annual estimated steam consumption at the Western Cape College of Nursing to be an estimated at 2 000 (two thousand ) tonnes.

4.1.1 These are **not guaranteed quantities** as the facilities are exposed to changing working hours.

4.1.2 The Department of Health & Wellness reserves the right to attempt to reduce its steam consumption by any means it may deem necessary to promote cost containment.

4.1.3 Third parties that currently purchase or draw steam from the range may elect to make other arrangements which could be outside the Department's control. They are the following institutions:

4.1.3.1 The medical school of the University of Stellenbosch.

4.1.3.2 The laundry currently draw fluctuating loads during day time.

4.2 **The possibility that steam consumption drops below the estimate is entirely the contractor's risk.**

## **5 PLANNED STEAM SHUT-DOWNS**

- 5.1 Steam shutdowns may be at the behest of the hospital, the contractor or both.
- 5.2 From time to time shutdowns of the steam range at the behest of the hospital will be necessary to effect repairs on parts of the range that cannot be isolated successfully.
- 5.3 These will be planned and the Department of Health & Wellness will advise the contractors as soon as possible about the shutdown dates.
- 5.4 The Department of Health & Wellness will not unnecessarily call for a shutdown at short notice.
- 5.5 From time to time shutdowns of the steam range at the behest of the contractor will be necessary to effect repairs on equipment that cannot be isolated successfully.
- 5.6 Notice of this intention is to be issued as early as possible by the contractor in order that the rest of the end users are adequately prepared for the shutdown.
- 5.7 The duty to inform all steam users falls to the Department of Health & Wellness.
- 5.8 Shutdown planning meetings will to be held at the following times:
  - 5.8.1 72 hours ahead of the shutdown and
  - 5.8.2 24 hours ahead of the shutdown.
- 5.9 These meetings are to be convened by the contractor and must include all interested parties to discuss the anticipated length of the shutdown and strategy.
- 5.10 All other affected parties are to be notified by the Department of Health & Wellness of the intended shutdown.
- 5.11 The contractor is to seek the best possible way to minimise disruption and inconvenience to the users of the steam service.
- 5.12 The contractor is to take formal minutes of these meetings and they are to be send to the Department of Health & Wellness.
- 5.13 It behoves the contractor to make the best possible use of any shutdown at the hospital's behest in order to maximise the benefit derived from the shutdown and minimise his own request for shutdowns.
- 5.14 Likewise, it behoves the Department of Health & Wellness to make the best possible use of any contractor's shutdown in order to minimise his own request for shutdowns.
- 5.15 To this end both the Department of Health & Wellness and the contractor are to keep a detailed updated list of outstanding maintenance work that requires a shutdown.
- 5.16 Both parties are also to ensure that all necessary spares, parts, tools and manpower are available to quickly and fully make use of any planned shutdown.
- 5.17 Any planned shutdown by the contractor is to be planned by the contractor in conjunction with the Department of Health & Wellness in order that work by the hospital may be planned on the rest of the range and that hospital staff are available for the re-establishment of steam on the range.
- 5.18 Where possible the contractor is to preferably give at least 10 days' written notice of his intention to shut down the range.
- 5.19 Shutdowns are to be scheduled with the intention of reducing the disruption to the hospital activities as far as possible. For this reason, shutdowns are preferably to be planned between 19h00 and 05h00 the following morning, as far as possible.

**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

- 5.20 Shutdowns are to be kept to a minimum to avoid stress and strain on the range as far as possible and disruption to the end-users.
- 5.21 Steam pressure is to be re-established as soon as possible to limit the strain on the range by unnecessarily long cooling down periods.
- 5.22 In order to achieve this swift action, the work scheduled for completion during a shutdown must be properly planned and efficiently executed.
- 5.23 The re-establishment of steam service is to be carefully controlled by a suitably experienced operator in order to warm the range gently and limit condensate return system flooding.
- 5.24 The contractor is to establish communication with the team leader on the hospital side of the range to expedite service re-establishment.
- 5.25 The Department of Health & Wellness will provide at least one two-way radio operating on their own frequency during the period of the shutdown in order to facilitate communications and help co-ordinate activities during the shutdown.
- 5.26 A special post facto report detailing the shutdown is to be submitted to the Department of Health & Wellness within 24 hours of the re-establishment of service. Please see separate description under "REPORTS".
- 5.27 The failure of the steam service during planned shutdowns will not invoke penalties.
- 5.28 Failure to re-establish the steam service at the end of the planned shutdown period will begin to invoke penalties as described elsewhere.

## **6 MINIMUM FUEL LEVELS TO BE MAINTAINED ON THE PREMISES**

- 6.1 In order to blunt the effect of unexpected obstructions that may possibly interrupt the usual delivery of fuel to site, the contractor is to ensure that certain minimum fuel levels are to be maintained **AT ALL TIMES** on site. These will ensure
  - 6.1.1 An ability to complete a full 96 hours undiminished steaming and that
    - 6.1.1.1 The actual minimum fuel kept on site will be a function of the steam demand prior to the interruption of fuel deliveries. The acceptable minimum fuel level is the choice of the contractor.
    - 6.1.1.2 The minimum quantity of fuel kept on hand for this purpose must necessarily match the type of the available boilers in order that steaming may proceed unaffected.
    - 6.1.1.3 Penalties for failing to ensure adequate fuel availability are outlined in dealing with failure to offer the specified steam service in the penalties clause.

## **7 BOILER WATER TREATMENT**

- 7.1 The boilers remain the property of the Western Cape Provincial Government and therefore it behoves the successful bidder to protect these assets as far as possible against all types of deterioration. To this end the boiler water treatment is to keep the boiler water within the following ranges at all times:
  - 7.1.1 The boiler water total hardness (TH) after the softener shall be less than 5 ppm.
  - 7.1.2 The OH-alkalinity inside the boilers must be within the range of 150 to 850 ppm.

<b>WESTERN CAPE GOVERNMENT: HEALTH</b>	
DIRECTORATE: SUPPLY CHAIN	
(INFRASTRUCTURE SOURCING)	
BID OPENED 11:00	
<b>2023-08-07</b>	
1).....	2).....
SIGNED	SIGNED

- 7.1.3 The total dissolved solids (TDS) inside the boilers must be within the range 2000 to 3500 ppm.
- 7.1.4 The pH inside the boiler must be above 9.5 and should ideally be between 10.5 and 11.5
- 7.1.5 The oxygen in the feedwater must be scavenged with an appropriate oxygen scavenger such as sulphite (NOT Hydrazine). There must be a positive sulphite concentration in the boiler indicating that the oxygen has been scavenged. The sulphite concentration inside the boiler must be in the range of 30 to 40 ppm.
- 7.1.6 Boilers must be wet stored with a concentration of 200 to 400 ppm of sulphite.
- 7.1.7 Dry-stored boilers are to be stored with at least 2.7 kg of silica gel per cubic metre of boiler volume.

## **8 REPORTS**

- 8.1 The contractor is to submit the monthly claim for services rendered on a clearly laid out and approved format.
  - 8.1.1 The claim is to indicate the following information:
    - 8.1.1.1 Any change in the meters such as replacement, calibration etc., with supporting documentation
    - 8.1.1.2 The meter being read
    - 8.1.1.3 The date and time of the reading
    - 8.1.1.4 The name, rank and signature of the Department of Health & Wellness representative
    - 8.1.1.5 The current reading
    - 8.1.1.6 The previous reading
    - 8.1.1.7 The date and time of the previous reading
    - 8.1.1.8 The movement in the reading
    - 8.1.1.9 Where convenient, the relevant usage or net amounts can be carried down to a summary page.
- 8.2 Monthly reports on maintenance and inspection activities are to be submitted to the Department of Health & Wellness Engineering and Technical Support Services.
  - 8.2.1 These are to detail the following with a view to providing an on-going overall picture of activities in the boiler house:
    - 8.2.1.1 The status of
      - 8.2.1.1.1 Major repairs
      - 8.2.1.1.2 Inspections and
      - 8.2.1.1.3 other important operational activities
    - 8.2.1.2 These reports are to include full details of
      - 8.2.1.2.1 Boiler availability.
      - 8.2.1.2.2 Progress towards returning boilers currently undergoing maintenance to service.
      - 8.2.1.2.3 Forthcoming schedules of inspections and major work.

- 8.2.2 The monthly reports are to detail the maintenance cost of breakdowns.
- 8.2.2.1 These reports are to be used by the Department of Health & Wellness to monitor the condition and the sums of maintenance money being spent on each boiler.
- 8.2.2.2 These may be required in the event of re-evaluation of the original survey reports being necessary.
- 8.2.2.3 These details shall cover the following aspects:
  - 8.2.2.3.1 Reasons why the work was carried out.
  - 8.2.2.3.2 They are to be structured in a way that will facilitate a direct comparison with the original survey reports.
- 8.2.3 Monthly reports are to be used to **formally** bring to the Department of Health and Wellness attention to any cost implications that the contractor *believes* are for the account of the Department of Health & Wellness.
- 8.2.3.1 Any cost implication that the contractor believes may be the responsibility of the Department of Health & Wellness to settle, is to be formally brought to the attention of the Department of Health & Wellness ; Engineering and Support Services as soon as possible.
- 8.2.3.2 Any such cost implication that the contractor believes is the responsibility of the Department of Health & Wellness to settle are to be separated out from other costs and clearly identified as possible cost implications
- 8.2.3.3 The contractor is to record all maintenance costs:
  - 8.2.3.3.1 Up to and including the statutory inspection of boilers:
  - 8.2.3.3.1.1 Submit the figures to the Department of Health and Wellness, not for payment but for
  - 8.2.3.3.1.2 the purpose of record keeping and evidence in the event that the original survey figures need to be amended.
  - 8.2.3.3.2 After the statutory inspection of boilers:
  - 8.2.3.3.2.1 Retain information for record purposes in the event that the original survey figures need to be amended.
  - 8.2.3.3.2.2 However, a detailed database should be kept by the contractor on all maintenance costs in order to more accurately assess plant condition or likely repair costs at the time of final hand back.
- 8.2.4 All documents as required for invoicing as stated in the Special Conditions of Bid are to be submitted in order to expedite payment. Incomplete information will necessarily delay payment of invoices.

## **9 OPERATION AND MAINTENANCE OF STATE OWNED PLANT**

- 9.1.1 All plant, equipment, buildings and state assets are to be treated in a manner that will ensure that their design life is achieved without premature degradation of either performance or / reliability or / efficiency or / safety.



**DELIVERY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR HOSPITAL BOILER HOUSE AND THE WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE, DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD.**

- 9.2 All materials, parts, tools or equipment of any description that is used to operate and maintain the equipment is to be:
  - 9.2.1 Approved for use by the Department of Health & Wellness
  - 9.2.2 Approved for use by the Original Equipment Manufactures' (OEM's)
  - 9.2.3 Used in accordance with specifications and recommendations of the OEM's.
  - 9.2.4 Used in accordance with the specifications and recommendations of the manufacturer.
  - 9.2.5 Where a conflict exists between the OEM and the supplier the specifications of the OEM are to be adhered to.
  - 9.2.6 All spare parts and replacement parts are to be OEM parts unless these are no longer in production in which case:
    - 9.2.6.1 Equal or
    - 9.2.6.2 Approved equal parts may be used.
    - 9.2.6.3 All services, tests and other maintenance procedures as recommended by the manufactures or are indicated as good practice are to be carried out timeously.
    - 9.2.6.4 All statutory inspections and tests are to be carried out timeously by the successful bidder. The contractor is to timeously plan maintenance to ensure sufficient availability of boilers in order to meet the demand at all times.
      - 9.2.6.4.1 The contractor is to take *full legal responsibility* for all record keeping concerning the machinery over which he has control.
    - 9.2.6.5 The successful bidder is to take complete control of the boiler water treatment program in order to limit corrosion and scale build-to acceptable industry levels.

**PRICING SCHEDULE / (Professional Services)**

**NB: USE ONLY BLACK INK TO FILL IN THIS FORM**

**(IMPORTANT: This form must be completed in full.**

**SUPPLY OF HEAT ENERGY IN THE FORM OF SATURATED PROCESS STEAM AND ALL BOILER HOUSE MAINTENANCE WORK AT TYGERBERG HOSPITAL BOILER HOUSE, LENTEGEUR LAUNDRY BOILER HOUSE AND WESTERN CAPE COLLEGE OF NURSING BOILER HOUSE ON BEHALF THE DEPARTMENT OF HEALTH & WELLNESS, WESTERN CAPE GOVERNMENT FOR A THREE (03) YEAR PERIOD**

**NAME OF BIDDER: .....**

**BID NO: WCGHIS002/2023**

**CLOSING DATE AND TIME: 7 August 2023 @ 11:00 AM**

**OFFER TO BE VALID FOR SIXTY (60) DAYS FROM THE CLOSING DATE OF BID**

ITEM NO.	QUANTITY	DESCRIPTION	UNIT PRICE PER TONNE		
1.	Total steam tonnes per year	Delivery of heat energy in the form of saturated process steam and all boiler house maintenance work at Tygerberg Hospital Boiler House. Lentegour Laundry Boiler House and Western Cape College of Nursing Boiler House for a period of 3 (three) years as per the attached specification.	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
1.1		<b>Tygerberg Hospital Boiler House</b>			
1.1.1	57 000	Steam generated	57000 ton x R...../ton =	57000 ton x R..... /ton =	57000 ton x R...../ton =

			R	R	R
1.1.2		Maintenance of the Boiler House	R	R	R
1.1.3		Carbon Tax	R	R	R
1.2		<b>Lentegeur Laundry Boiler House</b>			
1.2.1	10 000	Steam generation	10000 ton x R...../ton = R	10000 ton x R...../ton = R	10000 ton x R...../ton = R
1.2.2		Maintenance of the Boiler House	R	R	R
1.2.3		Carbon Tax	R	R	R
1.3		<b>Western Cape College of Nursing Boiler House</b>			
1.3.1	2 000	Steam generation	2000 ton x R...../ton = R	2000 ton x R...../ton = R	2000 ton x R...../ton = R
1.3.2		Maintenance of the Boiler House	R	R	R
1.3.3		Carbon Tax	R	R	R

1.3.4		TOTALS (1.1.1 TO 1.3.3)	R	R	R
2	<b>Subtotal bid price over the THREE (03) year period (inclusive of steam, maintenance &amp; carbon tax) for Tygerberg Hospital, Lentegeur Laundry and Western Cape College of Nursing Boiler Houses</b>  R_____ (Vat Excl)				
3	<b>Vat at 15%</b> R_____				
4	<b>TOTAL BID PRICE OF (ITEMS 2 AND 3) ABOVE</b>  R_____ (VAT INCLUSIVE)				

**IMPORTANT: THE QUESTIONNAIRE HEREUNDER MUST BE COMPLETED IN FULL BY REPLYING TO EACH AND EVERY QUESTION.**

- A. Period required for commencement of service after acceptance of bid .....
- B. Are the prices offered/quoted firm for the full period of the contract? .....
- C. If the prices are not firm for the full period, please complete the attached form WCBD 3.3/2.

**WCBD 3.3/2**  
**PRICE ADJUSTMENTS**

**1. IN THIS CATEGORY PRICE VARIATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:**

$$Pa = (1 - V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + \dots Dn \frac{Rnt}{Rno} \right) + VPt$$

Where:

Pa	=	The new escalated price to be calculated.
(1-V)Pt	=	95% of the original bid price. <b>Note that Pt must always be the original bid price and not an escalated price.</b>
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	5% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

**3. THE FOLLOWING INDEX/INDICES WAS USED TO CALCULATE THE BID PRICE:**

Index..... Dated..... Index..... Dated.....Index..... Dated.....

Index..... Dated..... Index..... Dated.....Index..... Dated.....

**BIDDER TO INSERT THE FOLLOWING COMPULSORY INFORMATION**

PRICE	
LABOUR COST	
COST OF MATERIALS	
FORMULA INDEX TABLE TO BE UTILISED	
BASE DATE APPLICABLE	
OVERHEADS AND PROFIT	

IF DEEMED NECESSARY, THE BIDDER MAY ATTACH ADDITIONAL TABLES. ADDITIONAL TABLES TO BE IN THE SAME FORMAT AS ABOVE.

**PROVINCIAL GOVERNMENT WESTERN CAPE****DECLARATION OF INTEREST, BIDDERS PAST SCM PRACTICES AND INDEPENDENT BID DETERMINATION**

1. To give effect to the requirements of the Western Cape Provincial Treasury Instructions, 2019: Supply Chain Management (Goods and Services), Public Finance Management Act (PFMA) Supply Chain Management (SCM) Instruction No. 3 of 2021/2022 - SBD 4 Declaration of Interest, Section 4 (1)(b)(iii) of the Competition Act No. 89 of 1998 as amended together with its associated regulations, the Prevention and Combating of Corrupt Activities Act No 12 of 2004 and regulations pertaining to the tender defaulters register, Paragraph 16A9 of the National Treasury Regulations and/or any other applicable legislation.
2. Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.
3. All prospective bidders intending to do business with the Institution must be registered on the Central Supplier Database (CSD) and the Western Cape Supplier Evidence Bank (WCSEB) if they wish to do business with the Western Cape Government (WCG) via the electronic Procurement Solution (ePS).
4. The status of enterprises and persons listed on the National Treasury's Register for Tender Defaulters will be housed on the ePS. Institutions may not under any circumstances procure from enterprises and persons listed on the Database of Tender Defaulters.
5. The status of suppliers listed on the National Treasury's Database of Restricted Suppliers will be housed on the ePS; however, it remains incumbent on institutions to check the National Treasury Database of Restricted Suppliers before the conclusion of any procurement process. For suppliers listed as restricted, institutions must apply due diligence and risk assessment before deciding to proceed with procurement from any such supplier.

**6. Definitions**

**"bid"** means a bidder's response to an institution's invitation to participate in a procurement process which may include a bid, price quotation or proposal;

**"Bid rigging (or collusive bidding)"** occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and/or services through a bidding process. Bid rigging is, therefore, an agreement between competitors.

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**business interest** means -

- (a) a right or entitlement to share in profits, revenue or assets of an entity;
- (b) a real or personal right in property;
- (c) a right to remuneration or any other private gain or benefit, or
- (d) includes any interest contemplated in paragraphs (a), (b) or (c) acquired through an intermediary and any potential interest in terms of any of those paragraphs;

**“Consortium or Joint Venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;

**“Controlling interest”** means, the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise;

**“Corruption”**- General offences of corruption are defined in the Combating of Corrupt Activities Act, 2004 (Act No 12 of 2004) as:

Any person who directly or indirectly -

- (a) accepts or agrees or offers to accept any gratification from any other person, whether for the benefit of himself or herself or for the benefit of another person; or
- (b) gives or agrees or offers to give to any other person any gratification, whether for the benefit of that other person or for the benefit of another person, in order to act personally or by influencing another person so to act, in a manner—
  - (i) that amounts to the-

(aa) illegal, dishonest, unauthorised, incomplete, or biased; or

(bb) misuse or selling of information or material acquired in the course of the exercise, carrying out or performance of any powers, duties or functions arising out of a constitutional, statutory, contractual or any other legal obligation:

(ii) that amounts to-

(aa) the abuse of a position of

authority; (bb) a breach of trust; or

(cc) the violation of a legal duty or a set of rules;

(iii) designed to achieve an unjustified result; or

(iv) that amounts to any other unauthorised or improper inducement to do or not to do anything, of the, is guilty of the offence of corruption.

**“CSD”** means the Central Supplier Database maintained by National Treasury;

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**“employee”**, in relation to –

- (a) a department, means a person contemplated in section 8 of the Public Service Act, 1994 but excludes a person appointed in terms of section 12A of that Act; and
- (b) a public entity, means a person employed by the public entity;

**“entity”** means any -

- (a) association of persons, whether or not incorporated or registered in terms of any law, including a company, corporation, trust, partnership, close corporation, joint venture or consortium; or
- (b) sole proprietorship;

**“entity conducting business with the Institution”** means an entity that contracts or applies or tenders for the sale, lease or supply of goods or services to the Province;

**“Family member”** means a person's -

- (a) spouse; or
- (b) child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption or some other legal arrangement (as the case may be);

**“intermediary”** means a person through whom an interest is acquired, and includes a representative or agent or any other person who has been granted authority to act on behalf of another person;

**“Institution”** means –

a provincial department or provincial public entity listed in Schedule 3C of the Act;

**“Provincial Government Western Cape (PGWC)”** means

- (a) the Institution of the Western Cape, and
- (b) a provincial public entity;

**“RWOEE”** means -

Remunerative Work Outside of the Employee's Employment

**“spouse”** means a person's -

- (a) partner in marriage or civil union according to legislation;
- (b) partner in a customary union according to indigenous law; or partner with whom he or she cohabits and who is publicly acknowledged by the person as his or her life partner or permanent companion

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7. Regulation 13(c) of the Public Service Regulations (PSR) 2016, effective 1 February 2017, prohibits any employee from conducting business with an organ of state, or holding a directorship in a public or private company doing business with an organ of state unless the employee is a director (in an official capacity) of a company listed in schedules 2 and 3 of the Public Finance Management Act.
  - a) Therefore, by 31 January 2017 all employees who are conducting business with an organ of state should either have:
    - (i) resigned as an employee of the government institution or;
    - (ii) cease conducting business with an organ of state or;
    - (iii) resign as a director/shareholder/owner/member of an entity that conducts business with an organ of state.
8. Any legal person, or their family members, may make an offer or offers in terms of this invitation to bid. In view of potential conflict of interest, in the event that the resulting bid, or part thereof, be awarded to family members of persons employed by an organ of state, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where the bidder is employed by the Institution.
9. The bid of any bidder may be disregarded if that bidder or any of its directors abused the institution's supply chain management system; committed fraud or any other improper conduct in relation to such system; disclosure is found not to be true and complete; or failed to perform on any previous contract.
10. Section 4(1)(b)(iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging). Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds.
11. Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorises accounting officers and accounting authorities to:
  - a) disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b) cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
12. Communication between partners in a joint venture or consortium will not be construed as collusive bidding.

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13. In addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

SECTION A DETAILS OF THE ENTITY		
	CSD Registration Number	MAAA
	Name of the Entity	
	Entity registration Number (where applicable)	
	Entity Type	
	Tax Reference Number	

Full details of directors, shareholder, member, partner, trustee, sole proprietor or any persons having a controlling interest with a right or entitlement to share in profits, revenue or assets of the entity should be disclosed in the Table A below.

TABLE A

FULL NAME	DESIGNATION (Where a director is a shareholder, both should be confirmed)	IDENTITY NUMBER	PERSONAL REFERENCE NO.	TAX PERCENTAGE INTEREST IN THE ENTITY

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

<b>WESTERN CAPE GOVERNMENT: HEALTH</b> DIRECTORATE: SUPPLY CHAIN (INFRASTRUCTURE SOURCING) BID OPENED 11:00  <b>2023-08-07</b> 1)..... 2)..... SIGNED SIGNED	
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**SECTION B: DECLARATION OF THE BIDDER'S INTEREST**

The supply chain management system of an institution must, irrespective of the procurement process followed, prohibit any award to an employee of the state, who either individually or as a director of a public or private company or a member of a close corporation, seek to conduct business with the WCG, unless such employee is in an official capacity a director of a company listed in Schedule 2 or 3 of the PFMA as prescribed by the Public Service Regulation 13(c).

Furthermore, an employee employed by an organ of state conducting remunerative work outside of the employee's employment should first obtain the necessary approval by the delegated authority (RWOEE), failure to submit proof of such authority, where applicable, may result in disciplinary action.

<b>B1.</b>	Are any persons listed in Table A identified on the CSD as employees of an organ of state? <b>(If yes, refer to Public Service Circular EIM 1/2016 to exercise the listed actions)</b>	NO	YES
<b>B2.</b>	Are any employees of the entity also employees of an organ of state? <b>(If yes complete Table B and attach their approved "RWOEE")</b>	NO	YES
<b>B3.</b>	Are any family members of the persons listed in Table A employees of an organ of state? <b>(If yes complete Table B)</b>	NO	YES

**TABLE B**

Details of persons (family members) connected to or employees of an organ of state should be disclosed in Table B below.

FULL NAME OF EMPLOYEE	IDENTITY NUMBER	DEPARTMENT/ ENTITY OF EMPLOYMENT	DESIGNATION/ RELATIONSHIP TO BIDDER**	INSTITUTION EMPLOYEE NO./ PERSONAL NO. (Indicate if not known)

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

<b>SECTION C: PERFORMANCE MANAGEMENT AND BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES</b>			
To enable the prospective bidder to provide evidence of past and current performance.			
<b>C1.</b>	Did the entity conduct business with an organ of state in the last twelve months? (If yes complete Table C)	NO	YES

**C2. TABLE C**

Complete the below table to the maximum of the last 5 contracts.

NAME OF CONTRACTOR	PROVINCIAL DEPARTMENT OR PROVINCIAL ENTITY	TYPE OF SERVICES OR COMMODITY	CONTRACT/ ORDER NUMBER	PERIOD OF CONTRACT	VALUE OF CONTRACT

<b>C3.</b> Is the entity or its principals listed on the National Database as companies or persons prohibited from doing business with the public sector?	NO	YES	
<b>C4.</b> Is the entity or its principals listed on the National Treasury Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004)?	NO	YES	
(To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 326 5445.)			
<b>C5.</b> If yes to C3 or C4, were you informed in writing about the listing on the database of restricted suppliers or Register for Tender Defaulters by National Treasury?	NO	YES	N/A
<b>C6.</b> Was the entity or persons listed in Table A convicted for fraud or corruption during the past five years in a court of law (including a court outside the Republic of South Africa)?	NO	YES	
<b>C7.</b> Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	NO	YES	

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

<b>WESTERN CAPE GOVERNMENT: HEALTH</b> DIRECTORATE: SUPPLY CHAIN (INFRASTRUCTURE SOURCING) BID OPENED 11:00	
<b>2023-08-07</b>	
1).....	2).....
SIGNED	SIGNED

**SECTION D: DULY AUTHORISED REPRESENTATIVE TO DEPOSE TO AFFIDAVIT**

*This form must be signed by a duly authorised representative of the entity in the presence of a commissioner of oaths.*

I, .....hereby swear/affirm;

- i. that the information disclosed above is true and accurate;
- ii. that I have read understand the content of the document;
- iii. that I have arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.
- iv. that the entity undertakes to independently arrive at any offer at any time to the Institution without any consultation, communication, agreement or arrangement with any competitor. In addition, that there will be no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specification, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates;
- v. that the entity or its representative are aware of and undertakes not to disclose the terms of any bid, formal or informal, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract; and
- vi. that there have been no consultations, communications, agreements or arrangements made with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and that my entity was not involved in the drafting of the specifications or terms of reference for this bid.

**DULY AUTHORISED REPRESENTATIVE'S SIGNATURE**

I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down his/her answers in his/her presence:

- 1.1 Do you know and understand the contents of the declaration? ANSWER: .....
- 1.2 Do you have any objection to taking the prescribed oath? ANSWER: .....
- 1.3 Do you consider the prescribed oath to be binding on your conscience? ANSWER:.....
- 1.4 Do you want to make an affirmation? ANSWER: .....

2. I certify that the deponent has acknowledged that he/she knows and understands the contents of this declaration, which was sworn to/affirmed and the deponent's signature/thumbprint/mark was place thereon in my presence.

..... SIGNATURE FULL NAMES Commissioner of Oaths

Designation (rank) ..... ex officio: Republic of South Africa

Date:..... Place

Business

Address: .....

*If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701*

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 AND IN TERMS OF THE WESTERN CAPE GOVERNMENTS INTERIM STRATEGY AS IT RELATES TO PREFERENCE POINTS

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS (TENDERERS) MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER, PREFERENTIAL PROCUREMENT REGULATIONS, 2022 AND THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT AND THE CODES OF GOOD PRACTICE**

### 1. DEFINITIONS

1.1 **“acceptable tender”** means any tender which, in all respects, complies with the specifications and conditions of tender as set out in the tender document.

1.2 **“affidavit”** is a type of verified statement or showing, or in other words, it contains a verification, meaning it is under oath or penalty of perjury, and this serves as evidence to its veracity and is required for court proceedings.

1.3 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

1.4 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

1.5 **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

1.6 **“bid”** means a written offer on the official bid documents or invitation of price quotations and **“tender”** is the act of bidding /tendering;

1.7 **“Code of Good Practice”** means the generic codes or the sector codes as the case may be;

1.8 **“consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;

1.9 **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

1.10 **“EME”** is an Exempted Micro Enterprise with an annual total revenue of R10 million or less.

1.11 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

1.12 **“Large Enterprise”** is any enterprise with an annual total revenue above R50 million;

1.13 **“non-firm prices”** means all prices other than “firm” prices;



1.14 **“person”** includes a juristic person;

1.15 **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

1.16 **“proof of B-BBEE status level contributor”** means-

(a) The B-BBEE status level certificate issued by an authorized body or person;

(b) A sworn affidavit as prescribed in terms of the B-BBEE Codes of Good Practice; or

(c) Any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act.

1.17 **QSE** is a Qualifying Small Enterprise with an annual total revenue between R10 million and R50 million;

1.18 **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

1.19 **“sub-contract”** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract.

1.20 **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide or services through price quotations, competitive tendering process or any other method envisaged in legislation;

1.21 **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions;

1.22 **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);

1.23 **“the Regulations”** means the Preferential Procurement Regulations, 2022;

1.24 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the Government Gazette on 11 October 2013;

1.25 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

1.26 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

## 2. GENERAL CONDITIONS

2.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and

- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

2.2 Preference point system for this bid:

WESTERN CAPE GOVERNMENT: HEALTH	
DIRECTORATE: SUPPLY CHAIN	
(INFRASTRUCTURE SOURCING)	
BID OPENED 11:00	
2023-08-07	
1).....	2).....
SIGNED	SIGNED

(a) The value of this bid is estimated to exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or

(b) The 90/10 preference point system will be applicable to this tender (delete whichever is not applicable for this tender).

2.3 Preference points for this bid (even in the case of a tender for income-generating contracts) shall be awarded for:

(a) Price; and

(b) B-BBEE Status Level of Contribution.

2.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	90
B-BBEE STATUS LEVEL OF CONTRIBUTOR	10
Total points for Price and B-BBEE must not exceed	100

Failure on the part of a bidder to fill in, sign this form and submit in the circumstances prescribed in the Codes of Good Practice either a B-BBEE Verification Certificate issued by a Verification Agency accredited by the South African Accreditation System (SANAS) or an affidavit confirming annual total revenue and level of black ownership together with the bid or an affidavit issued by Companies Intellectual Property Commission, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

The organ of state reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

### 3. ADJUDICATION USING A POINT SYSTEM

3.1 Subject to Section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, **the bidder obtaining the highest number of total points** will be awarded the contract.

3.2 A tenderer must submit proof of its B-BBEE status level of contributor in order to claim points for B-BBEE.

3.3 A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE will not be disqualified but will only score:

(a) points out of 90 for price; and

(b) 0 points out of 10 for B-BBEE

3.4 Points scored must be rounded off to the nearest 2 decimal places.

- 3.5 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.6 As per section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the contract may be awarded to a bidder other than the one scoring the highest number of total points based on objective criteria in addition to those contemplated in paragraph (d) and (e) of the Act that justifies the award to another tenderer provided that it has been stipulated upfront in the tendering conditions.
- 3.7 Should two or more bids be equal in all respects; the award shall be decided by the drawing of lots.

#### 4. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

##### 4.1 POINTS AWARDED FOR PRICE

###### 4.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEM

A maximum of 80 or 90 points is allocated for price on the following basis:

	<b>80/20</b>	<b>or</b>	<b>90/10</b>
$P_s$	$= 80 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)$	or	$P_s = 90 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)$

Where

- $P_s$  = Points scored for price of bid under consideration
- $P_t$  = Price of tender under consideration
- $P_{min}$  = Price of lowest acceptable tender

#### 5. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

##### 5.1 POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

	<b>80/20</b>	<b>or</b>	<b>90/10</b>
$P_s$	$= 80 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right)$	or	$P_s = 90 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right)$

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{max}$  = Price of highest acceptable tender

#### 6. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

- 6.1 In terms of WCG interim strategy, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Level of Contributor	Status	Number of points (90/10 system)	Number of points (80/20 system)
1		10	20
2		9	18
3		6	14
4		5	12
5		4	8
6		3	6
7		2	4
8		1	2
Non-compliant contributor		0	0

6.2 An **EME** must submit a valid, originally certified affidavit confirming annual turnover and level of black ownership or an affidavit issued by Companies Intellectual Property Commission

6.3 A **QSE that is less than 51 per cent (50% or less) black owned** must be verified in terms of the QSE scorecard issued via Government Gazette and submit a valid, original or a legible certified copy of a B-BBEE Verification Certificate issued by SANAS.

6.4 A **QSE that is at least 51 per cent black owned (51% or higher)** must submit a valid, originally certified affidavit confirming turnover and level of black ownership as well as declare its empowering status or an affidavit issued by Companies Intellectual Property Commission.

6.5 A **large enterprise** must submit a valid, original or originally certified copy of a B-BBEE Verification Certificate issued by a verification agency accredited by SANAS.

6.6 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

6.7 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level verification certificate for every separate tender.

6.8 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

## 7. BID DECLARATION

7.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

### 8. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPH 6

8.1 B-BBEE Status Level of Contribution..... = ..... (**maximum of 10 points**)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 6.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or an affidavit confirming annual total revenue and level of black ownership in terms of the relevant sector code applicable to the tender.

WESTERN CAPE GOVERNMENT: HEALTH DIRECTORATE: SUPPLY CHAIN (INFRASTRUCTURE SOURCING) BID OPENED 11:00	
<b>2023-08-07</b>	
1)..... SIGNED	2)..... SIGNED

## 9. SUB-CONTRACTING

9.1 Will any portion of the contract be sub-contracted? **YES/NO** (delete which is not applicable)

9.1.1 If yes, indicate:

(i) what percentage of the contract will be subcontracted? .....%

(ii) the name of the sub-contractor? .....

(iii) the B-BBEE status level of the sub-contractor? .....

(iv) whether the sub-contractor is an EME or QSE? **YES/NO** (delete which is not applicable)

9.1.2 Sub-contracting relates to a **particular** contract and if sub-contracting is applicable, the bidder to state in their response to a particular RFQ that a portion of that contract will be sub-contracted.

## 10. DECLARATION WITH REGARD TO COMPANY/FIRM

10.1 Name of company/ entity: .....

10.2 AT registration number: .....

10.3 Company Registration number.....

10.4 TYPE OF COMPANY/ FIRM

☐ Partnership/ Joint Venture/ Consortium

☐ One-person business/ sole propriety

☐ Close corporation

☐ Public Company

☐ Personal Liability Company

☐ (Pty) Limited

☐ Non-Profit Company

☐ State

Owned

Company

[SELECT APPLICABLE ONE]

10.5 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify

that the points claimed, based on the B-BBEE status level of contribution indicated in paragraph(7)

above, qualifies the company/ firm for the preference(s) shown and I/we acknowledge that:

(a) The Western Cape Government reserves the right to audit the B-BBEE status claim submitted by the bidder.

(b) As set out in Section 130 of the B-BBEE Act as amended, any misrepresentation constitutes a criminal offence. A person commits an offence if that person knowingly:

(i) is represents or attempts to misrepresent the B-BBEE status of an enterprise;

- (ii) provides false information or misrepresents information to a B-BBEE Verification Professional in order to secure a particular B-BBEE status or any benefit associated with compliance to the B-BBEE Act;
- (iii) provides false information or misrepresents information relevant to assessing the B-BBEE status of an enterprise to any organ of state or public entity; or
- (v) engages in a fronting practice.
- (c) If a B-BBEE verification professional or any procurement officer or other official of an organ of state or public entity becomes aware of the commission of, or any attempt to commit any offence referred to in paragraph 10.5 (a) above will be reported to an appropriate law enforcement agency for investigation.
- (d) Any person convicted of an offence by a court is liable in the case of contravention of 10.5 (b) to a fine or to imprisonment for a period not exceeding 10 years or to both a fine and such imprisonment or, if the convicted person is not a natural person to a fine not exceeding 10 per cent of its annual turnover.
- (e) The purchaser may, if it becomes aware that a bidder may have obtained its B-BBEE status level of contribution on a fraudulent basis, investigate the matter. Should the investigation warrant a restriction be imposed, this will be referred to the National Treasury for investigation, processing and imposing the restriction on the National Treasury's List of Restricted Suppliers. The bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, may be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied.
- (f) The purchaser may, in addition to any other remedy it may have -
  - (i) disqualify the person from the bidding process;
  - (ii) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (iii) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation; and
  - (iv) forward the matter for criminal prosecution.
- (g) The information furnished is true and correct.
- (h) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 2 of this form.

**SIGNATURE(S) OF THE BIDDER(S):**.....

**DATE:**.....

**ADDRESS:**.....

...

.....

**WITNESSES:**

1. ....

2. ....

<b>WESTERN CAPE GOVERNMENT: HEALTH</b> DIRECTORATE: SUPPLY CHAIN (INFRASTRUCTURE SOURCING) BID OPENED 11:00	
<b>2023-08-07</b>	
1).....	2).....
SIGNED	SIGNED

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**

**NOTES**

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.



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## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.

<b>WESTERN CAPE GOVERNMENT: HEALTH</b>	
DIRECTORATE: SUPPLY CHAIN	
(INFRASTRUCTURE SOURCING)	
BID OPENED 11:00	
<b>2023-08-07</b>	
1).....	2).....
SIGNED	SIGNED

- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

## **2. Application**

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

## **4. Standards**

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

## **5. Use of contract documents and information ; inspection.**

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be

made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## **6. Patent rights**

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

## **7. Performance security**

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's

performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

## **9. Packing**

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

## **11. Insurance**

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

## **12. Transportation**

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

## **13. Incidental services**

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;



- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

#### 14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
  - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### 15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after

the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

## **16. Payment**

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

## **17. Prices**

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

## **18. Contract amendments**

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

## **19. Assignment**

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

## **20. Subcontracts**

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or

later, shall not relieve the supplier from any liability or obligation under the contract.

## **21. Delays in the supplier's performance**

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract,

deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

### **23. Termination for default**

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

### **24. Anti-dumping and countervailing duties and rights**

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

### **25. Force Majeure**

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its

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performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

## **26. Termination for insolvency**

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

## **27. Settlement of Disputes**

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

## **28. Limitation of liability**

- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

## **30. Applicable law**

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

## **31. Notices**

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

## **32. Taxes and duties**

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

**33. National Industrial Participation (NIP) Programme**

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

**34 Prohibition of Restrictive practices**

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.